

The National Life Insurance Company

LIFE INSURANCE

EDITION

FRIDAY, JANUARY 13, 1933



JAN 13 1933

Now - - -

The Great American Life Insurance Company is Two Years Old - - -

Two years have passed since its inception—the most remarkable period in this generation for testing of financial stamina, endurance and executive courage.

And - - -

The GREAT AMERICAN auspiciously opens its records for 1933 with unusual satisfaction in considering the attainments of the past year.

Of note are these:

Gain in Insurance in Force	321%
Gain in Net Resources	362%
Gain in Capital and Surplus	205%
Ratio of Assets to Policy Reserve Liability	285%
Ratio of Actual to Expected Mortality	23%
Real Estate and/or Corporation Bonds owned	None

Cash, United States Government, State and Municipal Bonds are included in the Company's investment portfolio to the extent of 72%—truly a "depression-proof" financial structure.

[Activities have now been extended into six States: Texas, Colorado, Louisiana, Idaho, Arizona, and North Dakota.]

Capital and Surplus—\$412,011.67

THE GREAT AMERICAN LIFE INSURANCE COMPANY

Chas. E. Becker, President

HOME OFFICE, SAN ANTONIO, TEXAS

"Where the sunshine spends the winter."



Happy New Year!

A Happy New Year is our wish to life insurance men everywhere. To that wish we add our sincere hope that each day of 1933 may be full of profit to themselves and usefulness to others!

A Happy New Year indeed for agents of the Peoria Life! With the company's long-established policy of practical service to agents strengthened and broadened to conform with 1933 conditions * * * with new opportunities created by increased cultivation of present territory, establishment of new agencies, and further expansion of agencies now active * * * with special plans adapted to the needs of the

present, combined with time-tested methods which have proved their effectiveness in the past, Peoria Life agents will find something interesting in their company's 1933 program to stimulate their successful efforts during every month of the year.

A Happy New Year to all—a year which seems destined to mark the definite beginning of the era of business revival; when the public, slackening its purse-strings with increasing liberality, regards no object of its spending with greater favor and confidence, nor with more complete acceptance of its value, than life insurance. Peoria Life agents stand in an enviable position to benefit by the developments which 1933 will bring.

Peoria Life Insurance Company

PEORIA, ILLINOIS

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Seventh Year—No. 2

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JANUARY 13, 1933

\$3.00 Per Year, 15 Cents a Copy

Iowa Uprising Is Clearly Explained

New York Life's Proper Attitude in Foreclosure Disturbance Is Emphasized

NOT TAKING ADVANTAGE

Bid of \$3,000 Less Than Total Debt Exemplified Policy Opposite to Popular Belief

NEW YORK, Jan. 12.—Recent newspaper accounts of the trouble between a group of Iowa farmers and an attorney representing the New York Life who offered a bid on a farm at a foreclosure sale at some \$3,000 less than the total debt have given a mistaken and unfortunate impression that life companies are taking advantage of the poor property-owner's plight to get his land and buildings for as little as possible and then leave him with a deficiency judgment hanging over him which he has small chance of paying. Far from indicating any such situation, the Iowa incident actually exemplified the exact opposite, although none of the newspapers took the trouble to point this out.

In the case which precipitated the riot at Le Mars, Ia., the company had a total claim against the mortgagor of \$33,360. In the foreclosure sale it authorized a bid of \$30,272, the difference of \$3,088 representing unpaid interest.

Reason for Difference

The company's reason for not including defaulted interest in its bid was not to enable itself to take a deficiency judgment against the owner's other property, but to avoid payment of federal income tax on the \$3,088. Under the federal law, if it includes this item in its bid, it is taxed as income, even though it has not been nor ever will be paid.

It is not the practice of the New York Life or life companies in general to enforce deficiency judgment in farm foreclosures and it is only in rare instances, where special circumstances are involved, that this right is invoked.

It seems not to have occurred to the rioters, or to those reporting the case, that an institution which is so reluctant to foreclose that it will let \$3,000 of back interest accrue on a \$30,000 debt cannot reasonably be called harsh or unfeeling in its dealings with distressed property-owners.

Advantageous to Mortgagor

Another "break" for the landowner in the present case, which seems to have escaped attention, is the fact that the lower bid would have made it possible for the owner to get his property back within the year's redemption period provided by statute, by paying \$3,000 less than if the company had bid the full amount of its debt. In most of the

(CONTINUED ON PAGE 21)

Present Conditions Demand Organized Selling Methods

HILL SPEAKS AT NEW YORK

Day of Friendship, Business and Pleasant Conversations Gone, Says Northwestern Mutual Man

NEW YORK, Jan. 12.—A high state of morale, a definite plan of time control, an intelligent method of finding prospects financially able to buy, and above all the use of planned sales presentations are essentials for the life underwriter who wants to succeed in spite of today's conditions. G. L. Hill, production manager C. L. McMillen New York City agency of the Northwestern Mutual Life, told delegates at that company's two day regional convention here last week. Mr. Hill was speaking on "Gear Yourself to the Times," the theme of the convention.

Mr. Hill particularly stressed the use of prepared sales talks.

Build Talk by Repetition

"Old timers may tell you that they have no organized sales talk," he said, "but I beg to differ with them. I have heard dozens of very able producers do their stuff and their phraseology, the inflection in their voices, does not change one iota from one interview to the next, but it is by repetition that they have built their talk and it is now their organized presentation."

"A standardized talk is nothing but a series of selling ideas, effectively expressed in logical sequence. Certainly it is not a 'canned talk.' It is a personalized habit talk. Certainly there has been no truer phrase coined than 'Casual interviews make a casualty of the agent.'"

Personalized Interviews Demanded

"The day of friendship business and pleasant conversations is over. Conditions today demand intensive personalized interviews and my advice to those who have no organized sales presentation is to pay close attention these next two days to the practical demonstrations and to the talks that will be given and then go home and if necessary spend a week in a huddle with themselves, breaking down the three or four distinct types they hope to get in front of most frequently in 1933, and then address themselves to these distinct types in a way that is interesting and motivating. An interesting sales talk is not enough—it must create desire and have plenty of motivation in it, particularly today. And moreover, that sales talk must be the agent himself talking, not as some other producer would say it. It must be the agent himself in action."

Must Meet Objections

"Moreover, I think the agent should also have a best way of meeting the standardized objections that confront him and he knows what they are. They have been coming up day after day in 1932. Also his best standardized way of asking for premium prepayment, of delivering an additional policy and of asking for a reference. And he should also pay attention in building his standardized talks that he not only personalizes but should stick to the other fellow's needs. Figures have their place, but in

Idea of Inflation Is Eyed by Life Company Officials

MIGHT HAVE TWO EFFECTS

Greenbackism Might Be Quick Solution of Investment Problems but Blow to Production

NEW YORK, Jan. 12.—Talk of inflation is again being heard on many fronts and certain conservative business and financial leaders seem receptive. The inflation idea on two or three occasions in this depression has preoccupied the country. Whether the present propaganda and discussion will lead anywhere is problematical and also the sort of inflation that might be expected is uncertain. Many economists feel that once inflation is launched, it inevitably will end in pure greenbackism—running the printing presses overtime.

Some life insurance men seem disposed to welcome inflation. In taking this attitude, they are thinking only of the investment side of the picture. Undoubtedly, inflation would put a quick end to many of the life insurance investment problems. Commodity prices would rise and the farm mortgage situation would be greatly eased. The demand for policy loans would probably drop off and all classes of industry, in which life insurance companies are interested, including the railroads, would be relieved of much strain meeting their indebtedness.

Would Be Blow to Production

However, there is no question but that inflation would be a blow to life insurance production. Anything, except the most closely controlled inflation, would issue in a period of speculation. People would not be interested in entering contracts that would pay a fixed sum at maturity, because of the fear that the dollar tomorrow might be worth only a small fraction of the dollar today. It would therefore seem to be somewhat to the interest of the investment department of a life insurance company to have inflation but to the disadvantage of the agency department.

Another R. I. Commissioner

PROVIDENCE, Jan. 12.—Subject to confirmation by the state senate, T. D. Higgins has been appointed insurance commissioner of Rhode Island by Governor Green. He has been in the local agency business at Pawtucket since 1907.

Confirmation is in doubt, as the governor is a Democrat and the senate is Republican. The retiring governor last week named O. L. Heltzen for the post.

The final analysis it is ideas that sell—ideas that motivate people to buy. Of course, if we have, as we do, the ideas and the figures to back them up, we have particularly keen tools to work with."

Mr. Hill urged the use of effective words in putting ideas before the prospect. Some words, such as "contingent beneficiary," or "automatic premium loan," for example, mean little to the buyer until they are put into words that carry a vivid picture to him, Mr. Hill pointed out.

Daniel Boone Hits 'Financial Vandals'

Attacks Institutions Which Get Loans Liquidated by Raiding Insurance Reserves

A. L. C. HEAD IN MESSAGE

Those Upset by Isolated Life Company Receiverships Are Reassured—1933 Offers Promise

In a first-of-the-year message, Daniel Boone, president of the American Life Convention, paid his respects to banks and other institutions which cause policyholders to liquidate their debts by drawing upon their insurance reserves. Mr. Boone takes a heartening view of life insurance prospects for the year.

"As life insurance emerges from the depression with new honors, men in responsible positions in this business recognize," he said, "that means must be found to protect living policyholders from the selfish financial vandalism of individuals who force men and women with life insurance to surrender such protection so that they can collect a part of their own debts. The life insurance companies generally have been proud of their ability very quickly to grant to their policyholders all legitimate requests for policy loans or the cash surrender value of existing policies, but they knew that in millions of instances this fearful sacrifice by the men and women of America was being forced upon them. Suddenly met with demands for payment or the reduction of financial obligations to parties who happened to know they carried such life insurance, they were virtually compelled to walk the plank and wipe out the carefully prepared plans for the protection of their widows and orphans 10, 20 or 30 years from now."

Last Defense Sacrificed

"There is no question that life insurance has been forced to furnish cash in the place of many other institutions that should have had the courage to do their duty to their own clients. In such instances many Americans were forced to sacrifice their last line of defense and imperil the safeguards built around their families. Steps should be taken to prevent a repetition of such a situation when America again faces a crisis."

Mr. Boone undertakes to calm those who are upset by the Illinois Life and a few other failures. "It is true," Mr. Boone declared, "that a few isolated companies, purely because of their own particular problems, have met with financial embarrassment, but even in those cases I do not doubt for a moment that it has been or will be possible to make adjustments that should completely protect the policyholders and pay every death and disability claim in full. The men and women who have policies

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Cleary Upholds America's Farms

Northwestern Mutual Life President Believes in Basic Investments

ANALYZES ITS POSITION

Tells Something About the Condition Relating to Various Kinds of Securities

Convincing reassurance on the much-discussed farm loan problem was given by President M. J. Cleary of the Northwestern Mutual Life at the regional convention in New York City. Mr. Cleary also pointed out the folly of agents' knocking their competitors, the net result being a lessening of public confidence in the entire institution of life insurance. He deplored recent campaign utterances which gave the impression that the Reconstruction Finance Corporation had "saved" the institution of life insurance.

On the farm loan question Mr. Cleary said: "It is a live subject all over the country, because everybody knows the distress that exists in agriculture. I suppose that distress is better known to the country than the distress in other lines of business because agriculture has had more self-appointed guardians that have traveled about the United States over the years, telling the public about its great plight and what ought to be done about it."

Many Major Problems

"To say that there isn't a farm problem, to say that there isn't a farm mortgage problem would be to close your eyes to the facts. But I want to ask you as thinking human beings—do you know any field of investment, do you know any field of business in which there aren't pressing, major problems at the present time?"

"In a nation of 120,000,000 people there is a sound value in the good farms that is underpinned as no other value in this country is underpinned. It was the farms that built America. We can get along without skyscrapers, we can get along without the great boulevards of your cities, the great utilities and all of the other things that we look upon as greatest in America, but we can't get along without the land and what it produces. There are 120,000,000 people in this country to be fed and to be clothed and to be sheltered."

In Farm Field for 75 Years

"The Northwestern Mutual is 75 years old. It has been in the farm mortgage field for 75 years, and it has never been sorry that it was in that field, nor is it now. We have gone through in those 75 years a number of economic disturbances and depressions in this country, and the management learned some lessons as a result of that experience in the peaks of prosperity, in the valleys of depression over those 75 years, that have stood it in good stead. I should like to repeat to you again that it applied those lessons in the form of conservative rules of investment. The application of such rules has discounted in no small degree the deflation that has taken place in the agricultural areas at this time."

"The Wisconsin law provides that a domestic life company may loan 50 percent of the fair value of the real estate upon which it makes its loan. That is one of the most conservative statutes. More or less generally the law of the

(CONTINUED ON PAGE 11)

Comparative Data Given on 1932 New Paid and Business in Force

(The figures for 1932 business and insurance in force are estimates. Final figures will be published later.)

	New 1932 Paid Bus.	New 1931 Paid Bus.	Gain or Loss in Force, 1932	Gain or Loss in Force, 1931
Atlas Life, Okla.	\$ 7,028,181	\$ 8,174,060	-\$1,145,879	\$ 856,312
Bankers Life, Neb.	8,723,341	12,730,502	-296,056	-10,124,100
California-West'n States Life	26,500,000	20,804,182	-25,000,000	*153,981,044
Capitol Life, Colo.	10,420,798	10,641,776	-4,429,298	-2,754,809
Columbian Mutual Life, Tenn.	5,426,335	3,831,573	-2,358,908	-3,528,631
Columbus Mutual, O.	14,947,867	15,327,328	-4,066,177	2,471,376
Confederation Life, Can.	39,807,689	50,044,995	7,012,901	**2,058,612
Conn. General Life	120,620,178	173,153,517	-103,293,585	-27,918,143
Equitable Life of Ia.	52,356,000	63,248,000	-39,756,000	4,263,000
Federal Life	10,870,528	19,255,621	-21,747,214	-11,146,884
Federal Reserve Life	3,131,208	4,068,660	-7,440,251	-5,236,005
Great American Life, Tex.	11,000,000	2,498,107	8,024,739	2,498,107
Great Nat'l. Life, Tex.	2,797,742	2,638,326	-144,106	-278,999
Great Republic Life	17,978,000	6,346,276	-2,000,000	-2,648,000
Great Western, Ia.	2,423,794	4,275,089	-2,848,163	424,793
Guarantee Mutual Life, Neb.	13,294,179	16,694,840	-15,828,580	-18,435,749
John Hancock Mutual (Ord.)	230,638,757	265,847,941	-45,312,934	52,253,096
John Hancock Mutual (Ind.)	233,678,638	314,957,103	-90,452,587	24,364,950
John Hancock Mutual (Gr.)	45,918,752	43,327,016	-20,036,623	11,950,110
Lamar Life	7,937,498	10,073,038	-5,530,901	-3,323,895
Midland Life, Mo.	6,813,853	10,198,495	-5,654,639	-538,965
Minn. Mutual Life	36,152,851	45,148,848	-6,473,813	9,217,142
Missouri State Life	111,481,372	157,237,348	-143,781,578	-124,937,194
Monarch Life, Mass.	3,697,036	4,698,118	328,209	1,931,412
Mutual Life of Canada	44,038,582	53,193,505	4,800,000	20,546,619
National Life, Vt.	40,463,551	54,663,139	-33,983,423	-3,303,904
New England Mutual Life	107,644,386	134,745,814	-28,030,712	43,289,556
North American Life, Can.	19,921,357	24,303,908	-4,268,183	4,029,563
Old Line, Neb.	8,275,980	10,897,150	-93,652,059	-2,658,944
Penn Mutual Life	160,950,302	204,831,150	-21,695,000	13,298,581
Phoenix Mutual Life	43,980,000	63,381,585	-1,430,000	1,049,000
Presbyterian Ministers Fund	5,619,741	5,149,786	-31,417,878	14,136,215
Provident Mutual Life	*105,093,722	*118,691,414	-11,487,022	-2,488,072
Reserve Loan Life	12,256,068	13,359,311	-10,500,000	-5,906,461
Security Mutual Life, N. Y.	11,136,747	14,218,624	-1,541,503	8,161,855
Southwestern Life, Tex.	37,466,974	45,133,966	-169,648,750	-39,943,327
Union Central Life	113,027,990	125,795,734	-6,500,000	-2,849,337
West Coast Life	18,300,000	23,650,900	-4,063,800	-431,879
Western & Southern Life	184,000,000	216,055,844		
Wisconsin Nat'l. Life	4,752,424	6,617,605		

*Includes business of Western States Life reinsured.

**Include group and reinsurance.

†Including \$3,002,000 reinsurance.

‡Including revivals, increases and additions of \$10,087,793.

§Including revivals, increases and additions of \$9,708,964.

Price Analyzes Disease as Accidental Death Factor

Disease as a factor in accidental death was discussed by Paul E. Price before the meeting of the Chicago Insurance Lawyers Club Tuesday evening.

First, he said, there are those accidents that cause the disease which causes death, as accidents which cause blood poisoning followed by death. The trend of authority is that such accidents are compensable under the usual accident policy.

Second there are accidents that cause the death of a person already suffering from disease or infirmity, as death from a gunshot wound of a person suffering from tuberculosis. The authorities hold, according to Mr. Price, that these accidents are compensable under the usual accident policy.

Third Category Cited

Third there are accidents to persons suffering from preexisting disease where death results from accidental injury and the disease. Accidents in this category are not compensable, he said. The difficulty lies in the application of the law to the facts of the particular case. It is generally held that whether the accident was the sole proximate cause of the death or the disease cooperating with the accident that caused the death is a question of fact to be determined by the jury.

The effect of the existence of disease as a factor in producing death is almost always a question of fact for the jury. If the accident is the proximate cause of death, the existence of disease may be disregarded. Notwithstanding the efforts of companies to avoid insurance against accidents causing fatal results due to the presence of disease, the courts have deliberately, in effect, disregarded the language used in the policy and substituted different language, thereby making every combination of accident and disease a jury question.

Mr. Price said the companies must take cognizance of the impossibility of safeguarding themselves from exclusion of this particular risk because of the at-

Mutual Benefit Leaders for 1932 Have Been Announced

W. H. King, Lima, Ohio, representative of the Mutual Benefit Life, ranked first in the company in volume of 1932 business, leading more than 4,000 agents in 43 states. Mr. King also ranked third in the number of lives insured. For the seventh consecutive year, A. P. Steler of Detroit ranked first in the company in the number of lives insured with a record of 167. He has won this honor nine times altogether. S. W. Sturm of Cincinnati was runner up in volume, while H. B. Barnes of Fairmount, W. Va., was second in lives insured.

P. M. West of Detroit holds the record for sustained production with 969 consecutive weeks to his credit. G. H. Shephard, also of Detroit, is second with 941 consecutive weeks, while Mr. King with 880 and Mr. Steler with 854 are not far down the list.

In addition to Mr. King and Mr. Sturm, three men finished the year in the company's Million Dollar Club: M. B. Parsons of Chicago, J. E. Clayton and Max Hemmendinger, both of Newark, N. J. In addition to the Messrs. Steler, Barnes and King, three men qualified for the Century Club by writing 100 lives: C. E. Hodgman, Detroit; A. N. Cody, Grand Rapids, and R. H. Kincaid, Nashville.

titute of the courts and therefore charge a premium commensurate with the risk which the courts have required them to assume.

Oscar Haney of Hammond, Ind., reviewed the current decisions at the meeting of the club and Ralph Potter related the story of how moving pictures were introduced before an appellate court in New York state to defeat an accident claim.

Joins Anti-Twisting Pact

The Guarantee Mutual Life of Omaha has joined in the "anti-twisting" pact, which now embraces about 60 companies.

General Agents of Home Life Confer

Revise Family Income Plan for Use as Flexible Rider Form

STRONG CASH POSITION

Survey Shows Life Companies' Profits Have 2 Percent Variation, Industrial Firms Reduced 75 Percent

NEW YORK, Jan. 12.—Home Life of New York general agents from all over the country gathered for a two day conference here last week with the home office executives and discussed plans for the coming year.

One of the important announcements was the revision of the family income plan, subject to the approval of state insurance departments, to make it a flexible rider form, attachable to all forms of life insurance other than term and in three varying units, 10 year, 15 year and 20 year special income periods.

The keynote of the meeting, as sounded by President James A. Fulton, was "Client-Building," with an urgent appeal on his part for all life underwriters to get back to fundamentals of salesmanship, simplify the mechanics of their work and put the emphasis on low-pressure salesmanship rather than high-pressure salesmanship.

C. C. Fulton Presides

Cecil C. Fulton, Jr., superintendent of agencies, presided at the two day session and carried through with this idea of building a permanent clientele, linking it with the value of organized effort in all managerial and sales work.

The first speaker at the conference was Ethelbert Ide Low, chairman of the board, who welcomed the general agents and discussed at some length the present financial situation and the company's present position. He pointed to the new financial statement, which in tentative form, shows a strong cash position and a strong mortgage record. He said that cash, in the new statement, will total more than 25 percent greater than a year ago, at which time cash on hand was considerably higher than former normals, chiefly to be ready to meet any possible demands for cash loans or other contingencies.

On the score of mortgage experience, Mr. Low said that total mortgages owned amount to \$30,292,918—and the company owns property acquired under foreclosure of only \$53,409. Property in process of foreclosure of \$383,795 added to this makes a total of only \$437,204 or 1.44 percent. Further, interest received on mortgages during the year amounted to \$1,654,812 and on Dec. 31 unpaid interest amounted to only \$9,643 or .0058 percent—and \$8,006 of this amount was not due until Dec. 1.

Life Earnings Stable

W. J. Cameron, vice-president and actuary, spoke on the financial side of the business also, particularly stressing the marked stability of life insurance earnings during this period of stress. He pointed out that the combined profits of over 1,600 industrial corporations for the years 1929-31 showed a reduction of 75 percent in the latter year, as compared with the former—and in comparison with this there has been a variation of only 2 percent in the underwriting profits of some 250 life insurance companies in that same period.

An exhaustive discussion of under-

(CONTINUED ON PAGE 11)

Over 1,000 Attend Northwestern Meet

National Cash Register Promotion Executive Urges Dramatization of Sale

KLEIN AND HULL SPEAK

Regional Conference Held at New York City—Agents Take Active Part

NEW YORK, Jan. 12.—An unusually large attendance featured the Northwestern Mutual Life's annual regional conference here last week, nearly a thousand attending the banquet. The program included several prominent outside speakers as well as successful agents of the company.

J. L. Wood, director of sales education and promotion National Cash Register Company, spoke on the fundamentals of salesmanship. Salesmen, even after they have become successful, should practice to make themselves better and to avoid going stale, Mr. Wood declared. They are loath to do this, although doctors, for example, are constantly taking time to improve their knowledge and skill and actors are accustomed to rehearse even after a show has been running for months.

Demonstration Must Be Dramatic

Another point where salesmen can learn from actors is in the use of visual selling. The demonstration must be made dramatic. A cash register salesman, to illustrate the fact that a merchant is losing money without one of these machines, will toss dollar bills and change on the floor to symbolize the process. Then he brings home the saving process of buying a cash register by going around and picking up the scattered money.

"Be sure to state your case, specifying just what you propose to prove or your prospect will take a negative attitude," Mr. Wood said. "Get on common ground with the prospect, be sure that you get his favorable attention. Otherwise, even though he listens to you, you won't be able to go on to the closing point in the sale."

Dr. Klein Speaks

Dr. Julius Klein, assistant secretary of commerce, spoke at the banquet. Taking the example of the dinosaur, Dr. Klein warned against mere size as an end in itself. Intelligence, rather than size, is the basis of survival, he pointed out. Superintendent Van Schaick of the New York department was also a speaker. Dancing followed the banquet.

The closing speaker on the last day was Roger B. Hull, managing director of the National Association of Life Underwriters, who painted an inspiring and idealistic picture of the function of life insurance and the life underwriter.

Thierbach Stresses Service

R. P. Thierbach, assistant superintendent of agencies, summed up the points made by the various speakers on the first day. Mr. Thierbach stressed the "service" aspect of life insurance, saying that the primary function of the companies is the payment of money to policyholders or their beneficiaries, and that the money paid out as policy loans, surrender values, or matured endowments should be considered of no less importance than the death benefits.

Other speakers included N. M. Way, H. L. Barnett, of New York; I. H. Harris, Newark; A. R. Hahn, Philadelphia; W. E. Lisle, Troy.

Life Insurance Receivership Problems Unusually Complex

The problems of a life insurance company receivership and subsequent reinsurance are unusually complex. Questions develop that provoke a difference of opinion among actuaries. Even when the reinsurance contract is consummated, there may be a difference as to interpretation of the various clauses.

Policyholders naturally want a categorical answer to the various questions which confront them. This is not always possible. Because of the fact that there have been so few life insurance company receiverships, precedents have not been developed and new ground is being trod.

Protection Feature Easiest

The so-called protection feature of the life insurance contract is relatively easy to handle under a receivership reinsurance. It is an unwritten custom to take care of death claims in these cases, although there is no legal basis for giving priority to death claims, ahead of disability benefits, loan and surrender values. All of these rights spring from the same contract and there is nothing in the contract that gives priority to any one of them. But, it is pretty largely recognized as equitable to give such priority to death claims. By doing so, the function which is recognized as first in life insurance is recognized. It is beneficial to life insurance as a whole that these claims be taken care of and the morale of the business and of the public is better maintained.

One of the greatest difficulties is the handling of paid up insurance and risks running under extended insurance. There is the theory that the benefits under a reinsurance after receivership must be limited to premium paying in-

surance. Paid up insurance and extended insurance necessarily presuppose the existence of an available reserve to carry the risk. So long as there is cash value in the policy, paid up insurance and extended insurance is kept in force. When a company is insolvent, its reserves are impaired and at the beginning of the receivership, it is impossible to know the extent of the impairment. Some authorities feel that the plight of paid up and extended insurance is an argument against a 100 percent lien on the reserves, subject to reduction by liquidation. Where there is a 100 percent lien, seemingly the only way to keep paid up and extended insurance alive is by the resumption of premium payment.

Equitable Arrangement

A person buys a 20 year payment policy, for instance, to build up his reserve more rapidly, so that in the future he will not have to pay premiums. Therefore, some authorities feel that it is not equitable to require the holders of paid up insurance to pay the same high rate to keep their protection alive after a receivership as holders of cheaper forms of insurance are paying. For instance, some observers feel that a person who has completed payments under a 20-pay policy should not be required to resume payments in order to keep the insurance alive on the basis of say \$35 a thousand, when the holder of an ordinary life policy is required to pay say only \$25 to keep his insurance alive. There are those who feel that the holder of paid up insurance should get a really cost rate, at least temporarily, until the assets are liquidated and reserves are

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Qualification Is Company's Policy

Continental Assurance Requires General Agents to Respond to Searching Questionnaire

FEELS DUTY TO PUBLIC

Maintains Close Watch Also Over Sub-Agency Appointments—Strengthens Field Plant

Well in advance of any organized effort to secure state laws requiring rigid qualification for life insurance agents, the Continental Assurance of Chicago has put in force a qualification plan through the 36 states in which it operates which President H. A. Behrens and Executive Vice-president G. F. Claypool confidently believe will eliminate any undesirable underwriters and materially improve the quality of appointees.

This program is merely one item in a drive to strengthen the agency plant throughout the country. The Continental Assurance is strictly concentrating on territory which is one day's railway journey from Chicago. All territorial managers or supervisors covering the four major divisions of the company's territory are being drawn into the home office where they will be under home office supervision and training.

All general agents hereafter appointed must qualify as general agents, Vice-president Claypool explained. They must not only be good personal producers, but also good business men, and must know how to find, select, train and handle men.

Company Exercises Control

The program goes farther, however, than the general agency ranks, for the Continental Assurance now is exercising supervision over all sub-agency appointments, which must be reported to the office for approval. These tentative contracts are all being sent to the home office with an experience record and inspection report. Sub-agents must be able to give bond. This work is being cooperated in by the Continental Assurance general agents' association, headed by Allen M. Reager of Louisville.

"The Continental believes that insurance companies should be self-supervised and also should supervise their agency connections," Vice-president Claypool said. "The company is directly responsible to the public for the way insurance is presented and sold; it is responsible for the acts of all its agents."

Must Answer Questionnaire

Every general agent, prospective or already appointed, is being required to submit a ten-page statement of his operations in 1932 embodied in a lengthy test questionnaire, which it is admitted contains a number of trick questions, all calculated to give an accurate picture of the man's outlook on the business, his equipment, experience, ambition, etc.

The company has prepared and is distributing to general agents and agents a new visualized selling plan and is stressing time control and prospecting this year. According to Mr. Claypool, for the first time in the history of life insurance a complete conservation manual has been prepared to be sent general agents, so they will be able to give a complete service on all policies without the need of writing to the home office.

(CONTINUED ON PAGE 9)

An American

With level head, clear-white conscience, an inward fervor Calvin Coolidge loved his country. From his young manhood until his sudden passing he served it, with purity, courage, doggedness, astuteness, and wisest wisdom. Scantly worded, he was, but granite in deliberated action, fearless alike of gold and mob.

Beginning when he was Lieutenant Governor of Massachusetts, continuing until he became President, and while he was President, he strongly advocated the need and worth of life insurance. And after his retirement from public life, his integrity, sound thinking, and rich experience spoke authoritatively when, as a Director of the New York Life, he counseled his countrymen to couple thrift with life insurance.

A great name has been added to the immortal roll of men and women distinguished in our history, and one more example of high and patriotic public service has become the enduring treasure of our people.

THE PENN MUTUAL LIFE INSURANCE COMPANY

WM. A. LAW, President

Independence Square

PHILADELPHIA

"A Source of Comfort Through the Years"

The Record of a Small Policy

THE following letter from a Wisconsin clergyman illustrates strikingly how even a small life policy *kept in force* may be the chief or sole means to security and peace in the later years of life:

"My mind goes back across the years, to an afternoon in North Dakota, when a representative of the New York Life came to my home and urged me to take out some Life Insurance. I believed in insurance but was too poor to make a start. I was so short of money that the agent had to lend me the money for my first premium. My only regret is that I did not let him make it three thousand instead of one, as he wanted to do.

"It has been a source of comfort through the years, to have even so small an amount in a safe place. Now we are no longer young, and have decided to buy a little home. This means that we need the small savings the New York Life has been keeping for us these many years. . . ."

This is a \$1,000 20 Payment Life policy issued at age 35. Total premiums paid—\$766.80. Present cash value, including dividend deposits, amounts to \$1,146.21. Through all these years the beneficiary has been protected for \$1,000.

A life or endowment policy (but not term insurance) is an Insured Savings Plan with guaranteed values for retirement.



HOME OFFICE BUILDING

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE
NEW YORK, N. Y.

OBSERVATIONS in the Life Insurance Field

By E. J. WOHLGEMUTH

It would be somewhat difficult to sum up all the changes in field conditions that have been under way the past few months or since the time the depression has been distinctly noticeable in life insurance but some of them at least have become apparent. It may be said that the depression so far as life insurance field work is concerned started with the quickening of policy loans. This put agents rather on the defensive because it compelled them to give a good deal of their time to servicing clients and it somewhat changed the psychology of field men in taking their minds off new business production. Any kind of a salesman becomes irritated when he has to straighten out snarls, make collections or give unusual service. This is with many men entirely another line from salesmanship. An occasional opportunity to service a client is a stimulant to salesmanship but a steady grind of service has quite the reverse effect. So that policy loans may be charged with having slowed up the machinery to an extent.

The came the temptation to rewrite old policies with a second commission on the same case dangling in view. But this was stopped by most of the best companies which did not allow any or allowed only part of the new and renewal commissions on rewritten cases. Then the straight-out twister appeared, frequently with a second-rate and high commission company. In certain centers, brokers and even regular agents, saw easy money in lapsing and reselling large policies. One broker in a large city is said to have five "contact" men working for him, getting the cases lined up for him and he presents written statements and statistics backing up his argument that it is best to drop the old insurance and take new policies. His "contact" men are not permitted to write the business themselves, they merely uncover the cases. This broker's policies are said to average \$30,000 each. Presumably he is placing much of his business in the poorer companies because the best ones will not tolerate the practice.

New Men Write Much of Really New Business

One estimate is that as much as 50 percent of the really new business—not rewritten cases or term policies—is being written by the new men just coming into the business. Some agencies are specializing in taking on these new men; their old agents claim they cannot write much new business because they are so busy taking care of their old policies and the manager finds that he can get better results from his efforts by building up a force of entirely new men. This seems to be particularly true in some of the oldest and best established agencies, offices where the steady, good producers have been in the habit of securing much of their business from old policyholders, "building them up" gradually to a certain goal. There is no doubt that this process of building a man's insurance up a policy at a time as his business grew or his salary increased has either ceased entirely for the time being or slowed down materially. Many of these old time producers had come to rely pretty much on a certain line of steady customers and these people simply are not buying to any extent at the present time, while the agent himself has gotten out of the habit of "cold prospecting." The old sources have dried up on him. On the other hand, the new man coming into life insurance from another line, usually a pretty high grade man because the managers will not take on new men of any

other kind, comes into the business with fresh vigor; he is not bothered by a lot of old policyholders needing service; he feels the pressing need of getting business and earning some commission; and he has a line of friends and prospects that have not been thoroughly canvassed. Today the new man in life insurance has certain advantages over the old.

Another factor that is noticed is that many companies and general agents are cutting off or cutting down the expense of supervisors. The home offices feel the need of reducing expenses because of the reduction in new business, while office rent and other fixed expenses must go on just about the same. Whereas they were sometimes liberal in furnishing general agents with salaried supervisors or permitting these supervisors to spend a few months at each agency, they are now feeling the necessity of reducing this expense item; while the general agent himself feels that he can give a certain amount of his time to supervisory and educational work and also because of reduced renewals and new business finds it necessary to economize. There are more general agents in charge of the smaller agencies who are giving more attention to personal production and are satisfied to have, during this period, only two or three good agents associated with them.

Insurance Being Sold in Certain Cities as Usual

Certain sections and cities of a certain type seem to be producing new business very much as usual. Cities with a strong German population, such as Milwaukee and St. Louis, find that life insurance can still be sold to the more conservative elements with about the same effort as formerly.

Another source of straight new business is found in the factories and business houses which have not felt the depression to the extent that incomes have been reduced. The method here is usually to find some one man on the inside, who is friendly to the agent and through him to get a line on all the prospects in the concern. Certain sections of the country, such as New England, have not been as hard hit as others and business goes on somewhat as usual. In some parts of the south no great changes are noted because of the depression. Many medium sized cities throughout the country are still good life insurance fields. It is said that business insurance in considerable quantities is still being written in some parts of the east.

One rather curious tendency is also noted and that is a return to the "cold canvass" method. Agents with sufficient nerve and determination are getting results by following the old method of starting in at the top floor of an office building and working down.

With the slowing up in policy loans and a gradual return to more normal conditions old agents are getting on their feet again and planning to put in a good year in 1933.

Budinger Made Actuary

J. A. Budinger, since 1930 associate actuary of the Kansas City Life, has been appointed actuary to succeed the late R. M. Webb. Mr. Budinger, who formerly was associated with the Franklin Life, already has made a place for himself in the confidence of the agency organization of the Kansas City Life. He not only is a good actuary, but he possesses that rare ability of examining actuarial problems from the agents' point of view.

Engelsman, Bragg in Lecture Course

Noted Speakers Give Valuable
Pointers in New York As-
sociation's Series

HEART CASES PROSPECTS

Great Opportunity Offers in Selling
Children's Policies, Annuities to
Professional People

The series of six lectures sponsored by the New York City Life Underwriters Association opened Tuesday in the Metropolitan Life auditorium. The speakers were Ralph G. Engelsman, general agent in New York of the Penn Mutual, and James Elton Bragg, general agent in New York City of the Guardian Life of New York, and former director New York university life insurance training course.

Developing the theme "Purposeful Prospecting," Mr. Engelsman urged the use of an intelligent plan and the building of prestige in digging up prospects. Persistency too is much more an essential than in prosperous times, he said.

"You've got to be relentless in your efforts," he stated. "You must show by your sincerity and earnestness that you deserve your prospect's confidence if you want him to give you the names of other possible buyers. Another thing is the sale of children's policies. In our office we have sold more children's policies in the last year than in the previous five. Men who won't take more insurance on their own lives even though they really need it will take it for their children to keep them from going through what they themselves have been through in the last couple of years."

Tips on Getting Information

"Don't ask a man directly if he has children and what their names are. Find out indirectly through his friends. Cultivate your neighbors' children. If a neighbor has heard his son say that you are a 'nice man' it will help a lot when you call to discuss life insurance."

"Other sources of adult prospects are the photostatic medical reports attached to the policies you deliver. On the average each one contains five possible leads. Even cold canvassing can be done in ways to lessen sales resistance. One agent I know buys the daily trade record of a certain industry and watches promotion. He has gained prestige too by knowing and having sold other men in that line."

Experience of New Zealander

"Another agent, a New Zealander, didn't know anyone in New York. He learned that a certain business was prospering. He asked to see the business manager. He didn't get to see him and didn't particularly count on doing so, but while he was waiting to see him he heard callers asking for various executives. He got six prospects in this way, sold two of them and sold 20 more cases as the result of leads obtained from these contracts."

"Then there's Ben Martin of Billings, Mont. He makes it a practice to pay all his bills personally. Don't you think that builds his prestige when he calls to talk life insurance to one of those merchants? Professional people, especially actors, singers, authors, playwrights and the like, are fine prospects for annuities. So are elderly people who didn't use to be interested. Another class is those who have heart disease. A leading heart specialist told one of the super-

Says Technocracy Means Elimination of Life Insurance

All life insurance men should oppose "technocracy" with great energy, if they take it seriously and desire to remain in their business, Prof. W. F. Byron of Northwestern University told the Chicago chapter of C. L. U. at its meeting Tuesday, for technocracy, if by some wild chance it should be adopted in this country would mean the end of life insurance.

In the place of the one protection which the people of this country have come to look upon with the utmost confidence, especially in the last three years, would be the energy unit card issued to everyone; having perhaps nothing to do with the productiveness of a man, but giving him a purchasing power. Banking also would be ended, Professor Byron said, if the ideas of the technocrats were carried out completely, thus the life insurance trust would be eliminated on two counts.

Only Another "Phobia"

Professor Byron said we are suffering from the "phobia of technocracy," where only a few years back it was the "phobia of psycho-analysis," Americans doing everything by extremes.

"I will admit that the trends of technological unemployment are undeniable and very, very serious," he said. "The technocrats hold that we have come definitely to the end of a cycle in our development, and the complete victory of the machine over human labor."

He employed the reductio ad absurdum to picture the fallacy of the technocrats' theory that the United States' vast energy resources if properly developed would enhance the living scale ten times whereas an individual would work only 660 hours annually.

Better Living Scale Possible

"However," he said, "there is no denying the fact that in this country we are not living up to anything approximating the efficiency or standards of living of which we are capable. We could have great prosperity in this country. It is a very serious problem, and we cannot get rid of the serious basic facts by ridiculing technocracy."

He pointed out that the technocrats emphasize the fact that there are now in this country 15,000,000 unemployed persons, and predict that unless something is done about the matter before long there will be 20,000,000 unemployed, a statement in which, Professor Byron said, many other persons agree.

visors in my office that the best thing in the world for a person with angina pectoris is an annuity. Sufferers from this disease need, most of all, rest and freedom from worry and the annuity provides this."

Bragg Emphasizes Needs

Mr. Bragg urged his hearers to think their cases through in terms of needs that have increased because of present conditions.

"There are no new needs," Mr. Bragg pointed out, "but there are newly emphasized needs for life insurance. This is not a time for a widow to have to look for a job, it is not a time when relatives are eager to welcome new dependents; it is a time when even public charity is strained. If the death of a husband and father is tragic in normal times it is super-tragic now."

Drawing a chart indicating the prospect as the center of his various relationships involving money problems, it is the agent's problem to determine which of these relationships is of the greatest interest to the prospect and then concentrate on selling him the type coverage which will suit that need. Mr.

(CONTINUED ON LAST PAGE)

OUR HOPES FOR 1933

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WE HOPE that in 1933 insurance companies will buy their advertising in insurance papers on a strictly business basis.

We hope that in 1933 insurance companies will stop thinking about "the insurance papers", and begin to realize that there are a few good papers with a guaranteed, provable circulation, and a lot of insurance papers that haven't.

We hope that in 1933 it will be recognized that there is no substitute for an Audit Bureau of Circulations statement, and that any insurance paper unable to furnish one has something in connection with its circulation that it does not want to reveal.

We hope that in 1933 companies will get over the antiquated idea that if they advertise in a few of the good papers they will have to patronize all the rest; in brief, that they will understand that the days of blackmail in insurance journalism are over.

We hope that in 1933 the insurance papers with the most to offer in the way of advertising value will get the bulk of the advertising, and that the insurance companies will have the courage and common sense to spend their money as carefully when buying advertising in insurance papers as they do now when purchasing office supplies or any other necessary equipment.

We hope that in 1933 it will be seen that there are as many kinds of insurance papers as there are insurance companies, and that, when it comes to buying advertising, the wheat must be separated from the chaff.

(Number 27 of a series devoted to the merits of National Underwriter advertising)

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The National Underwriter

The leading weekly insurance newspaper

E. J. WOHLGEMUTH
President



C. M. CARTWRIGHT
Managing Editor

New Governor of Illinois Treats Insurance Problems

MAKES INAUGURAL ADDRESS

Insurance Laws and Their Administration in State Should Be Second to None, Horner Says

Governor Horner of Illinois, in his inaugural message Monday of this week, devoted considerable attention to insurance questions, the subject being of the utmost interest in the state because of the Illinois Life failure. He said that insurance laws and their administration in Illinois should be second to none. Governor Horner's remarks on insurance follow:

Guard Policyholders' Rights

"Much discussion among those interested in the subject of insurance has brought this important subject to the fore again. It is the plain duty of the general assembly in the adoption of legislation and of the insurance department by administration, to jealously guard the rights of policyholders, who in turn look almost exclusively to them for protection, and security in their rights as assureds.

"The public relies upon our insurance laws and the administration of them for protection. The recent collapse of a large Illinois insurance company focuses our attention on the subject and we must act conservatively but definitely to prevent a recurrence of the unhappy circumstance.

Investment Limitation Imperative

"Practices have been unearthed which seem to do violence to the fiduciary relation of that insurance company and its policyholders. Limitations of the kind of investments and particularly of speculative investments by such companies must be imposed and enforced. Careful maintenance of ample reserves for the protection of policyholders must be insisted upon and accomplished.

"The maintenance by insurance companies of affiliate corporations or trusts for the purpose of holding and trafficking in investments should be prohibited. "Is it too much for a people to ask that our insurance laws and the administration of them shall be second to none in the United States? I assume not. The former I request of you; the latter I shall insist upon in the administration of the insurance department.

States Separation Position

"Insurance in Illinois is now directed as a bureau of the department of trade and commerce. It is contended by many interested in the subject, that its importance to the people of the state demands a separate and distinct department of insurance headed by one of the utmost ability and experience, upon whom the important responsibility of the department should rest, and in whom is invested full authority to conduct the department, rendering its decisions and directing and disciplining its employees. I am not sure that this power and responsibility cannot be effectively vested in the superintendent of insurance appointed by this administration. If it cannot I would favor creating a separate and distinct department. It is my preference to consolidate departments rather than create new ones. However, if it subsequently develops that an independent and distinct department is necessary to accomplish what is desirable in perfecting our insurance supervision, I shall not hesitate to as of you legislation to that effect.

"A state which permits insurance companies to do business within the state assumes a very sacred obligation to protect the policyholders who put their faith in such companies. Every safeguard within the power of the state to employ should be thrown about the insurance business in Illinois."

Union Central's Big Club



**HERMAN STARK, New York City
President**

Setting a new all-time record for paid-for production, 54 members of the Union Central Life field force have qualified for membership in the \$500,000 Club and will be guests of the company at the 1933 meeting to be held at Miami Beach, Fla., late this month.

This year's membership is the largest in its history. There was a total paid-for production by the group amounting to \$30,544,000.

By virtue of his sales record of \$1,027,826 for the year, Herman Stark of the C. B. Knight Agency, New York City, becomes president. J. V. Boehm of the T. H. Daniel agency, Atlanta,



**J. V. BOEHM, Atlanta
Vice-President**

next highest producer, becomes vice-president. His total settled business was \$849,863.

The C. B. Knight agency led all others with 13 qualifying members. Cincinnati was second with six, including one woman, Mrs. M. F. Hoffman, the only representative of the fair sex in the group.

Vice-President Clark attributes the record enrollment of \$500,000 producers to the use during the past year of a new sales technique known as "merchandised selling" developed by the Union Central to meet conditions growing out of the depression.

Deficiency Judgments Not Pressed on Foreclosures

HARTFORD, Jan. 12.—The policy of Hartford companies is not to press for deficiency judgments against farmers whose farms had been foreclosed. For the past several months the Hartford companies have followed a general rule of bidding the full amount of the mortgage instead of attempting to obtain deficiency judgment. However, the protest of the farmers in Le Mars, Ia., to placing bids lower than the amount of the mortgage, according to Stillman Westbrook, vice-president Aetna Life, and chairman of the Insurance Farm Mortgage Conference, will not intimidate any companies in his group from attempting to collect the full amount due companies where there was reason to believe the sum could be obtained. In most instances, however, companies recognize the inability of a farmer to meet his dues and, therefore bid the full figure of the mortgage at the sheriff's sale.

Koehring Payments \$1,255,000

MILWAUKEE, Jan. 12.—Life insurance payments of more than \$200,000 to the family and \$1,055,000 to the company he headed were made on the policies of P. A. Koehring, Milwaukee industrialist, it was revealed in a hearing before Court Commissioner Max Nohl last week. Norman Baker, representing the Northwestern Mutual Life, at this hearing, sought to obtain missing records covering the business of Koehring to prepare for a suit brought by the family to collect \$50,000 on a policy in the Northwestern Mutual taken out shortly before his death, which the company holds was a suicide. Another \$50,000 policy in the Northwestern Mutual and payable to the Koehring Company has not been paid, the contention in both instances being suicide within a year from the date the policies were issued.

Knights Life of Pittsburgh End of the Year Contest

As a result of the "end of the year industrial drive" of the Knights Life of Pittsburgh in honor of Vice-President and Secretary P. J. Hess, it was found that the premium income was increased by \$56,000. The first prize went to Superintendent J. T. Fox of East Liberty, Pa., who headed the group of districts comprising Johnstown, Altoona, Connellsville, Pittsburgh No. 2, Pittsburgh No. 3 and East Liberty.

Superintendent G. A. Hahner of Pittsburgh No. 1 secured first place in number of policies, in amount of new insurance added to the weekly collectible debit.

The agents headed by Assistant Superintendent Joseph Herwick of Connellsville turned in the largest number of applications. The staff of Assistant Superintendent J. L. Fabian of Scranton was a close second.

Leading agents in combined results achieved were: Robert Mullaney of Connellsville district, followed by T. F. Mellon of Altoona, William McNelis of Johnstown, John Zdobinski of Pittsburgh No. 2 and Charles Ashbaugh of Pittsburgh No. 3 district.

Bars Stock-Fraternal Mergers

Answering an inquiry from the Indiana insurance department, the attorney general holds that under Indiana laws fraternal may not merge or consolidate with stock life companies, which restriction is understood to extend also to fraternal health and accident associations. Fraternal can merge only with other fraternal according to the ruling.

"Unless right of domestic beneficiary associations to merge or consolidate is either expressed or by necessary implication granted by the statute of the state or their charters, I think it must be held that no such right exists," the communication states in conclusion.

Inaugurate Combination of Savings and Life Insurance

NEW COMPANY IS ORGANIZED

**Investors Finance & Thrift Corporation
Joins with United Insurance Co.
in the Contract**

The Investors Finance & Thrift Corporation of Chicago, an affiliate of the United Insurance Company, has placed on the market a new combination of savings and investment in certificate form. Certificates are issued on a monthly payment plan with provision whereby in the event of the death of the investor before maturity, the remaining payments will be paid by the insurance company under a group policy. The estate of the investor will have available the same benefits that would have accrued to him had he lived and completed the payments including the share in the survivorship distributive fund which is accumulated over the period of payments by setting aside excess earnings and special dividends solely for that purpose.

Units of \$1000 Used

Certificates are being issued in \$1000 units or multiples thereof, and payments may be made on the monthly savings plan and recorded in the savings pass book. Each certificate has cash loan, cash surrender and paid-up annuity values similar to life policies. These begin at the end of the first 12 months and increase very rapidly so that by the eighth year they amount to more than the investor has paid in. He has had the full benefit of the insurance provision at all times.

It requires 144 monthly payments to mature the certificate. The monthly payment on a certificate of the face value of \$1000 is \$4.75 (ages 1 to 45 inclusive), including cost of insurance.

Unusual precautions have been taken to assure safety of investments and proper handling of all funds. The plan has been approved by well-known certified public accountants and actuaries. Every safeguard has been incorporated to meet the requirements of the certificate and to mature each at face value. The officers have given considerable of their time to devising this plan of saving, investment and insurance into one contract. It is located at 2731 S. Michigan Ave., Chicago. O. T. Hogan is president and A. D. Johnson secretary.

Quotations in Big Jump on Stocks of Some Companies

There have been some surprising advances in market quotations on some life insurance company stocks in the last few days. In the unlisted market the bid price for the Sun Life of Canada jumped 15 points in one day to 245, the asking price being 265. The Travelers gained 25 points to 365 bid, 375 asked; Aetna Life rose to 14 bid, 15 asked and Missouri State Life from 4 to 4½ bid and 5 to 5½ asked.

Whatley's and Luther's Trip

S. T. Whatley, Chicago general agent of the Aetna Life, who recently was selected as vice-president of that company, effective March 1, with Mrs. Whatley and his family has gone on a three weeks' trip to St. Petersburg, Fla., after which he will return to wind up his affairs in Chicago preparatory to going to the home office. Mr. Whatley is accompanied on the trip by K. A. Luther, who retires soon as vice-president of the Aetna Life to become joint general agent of that company in the Luther-Keffer agency, New York City, and Mrs. Luther.

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"Did you want an Inspection Report on this case, sir?"

"Certainly,—and what's more on any case that is in the least doubtful. With underwriting conditions and moral hazards the way they are today it is essential to have these reports."

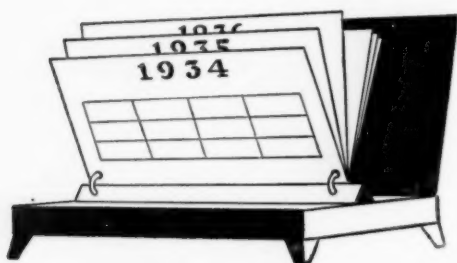
". . . . and by the way be sure they are HOOPER-HOLMES Reports. They're dependable.

The nation-wide facilities of The Hooper-Holmes Bureau are devoted to the compiling of Moral Hazard Inspection Reports for insurance underwriting, credit, commercial and employment purposes and Claim Reports, Address inquiries to 102 Maiden Lane, New York.



THE HOOPER-HOLMES BUREAU, Inc.





Look ahead . . . Plan ahead

ACT TODAY!

The Great Southern is a young, progressive company forging ahead soundly, steadily and conservatively.

It offers a unique plan of representation—a plan that gives everyone the opportunity of achieving the success they seek.

The representatives contract is made direct with the home office, thus assuring closer contact with those qualified by years of experience to assist you. All contracts are uniform and provide a liberal first year and exceptionally large renewal commissions.

The Great Southern offers every type of insurance for persons of all age, from 1 day to 70 years. The service rendered policyholders is a constant source of satisfaction to the insured.

We are prepared to offer a contract to a number of men and women who are seeking the opportunity to attain higher success in life insurance selling. Direct all inquiries to the home office.

GREAT SOUTHERN
LIFE INSURANCE COMPANY
E. P. GREENWOOD, PRESIDENT - HOUSTON, TEXAS

Form Iowa Organization to Aid Mortgage Debtors

A state committee has been formed in Iowa, headed by M. G. Thornburg, director of the state department of agriculture, and C. E. Hearst, president Iowa Farm Bureau Federation, whose purpose is to bring mortgagees and mortgagors together to arrange farm mortgage debts in accordance with the debtors' ability to pay and to keep them out of the courts. According to Prof. W. G. Murray of the department of agricultural economics of Iowa State College at Ames, Iowa farm owners are carrying a mortgage load of \$1,000,000,000, upon which the principal and interest burden has to be met from a farm income only 49 percent of the pre-war level.

About 45 percent of all Iowa farms carry mortgages, he said, and insurance companies hold approximately 42 percent of the outstanding mortgage debt, according to figures obtained in 13 representative townships. Private investors hold 27 percent, land banks 12 percent and deposit commercial banks 16 percent. Mortgage companies, school funds, colleges and miscellaneous corporations hold the remainder. Iowa farms, he said, are faced this year with the problem of maintaining a mortgage debt almost double that of 1914, the average mortgage indebtedness per acre being estimated at \$74.

Canadian Amendments for Life Statements Announced

A number of amendments have been made by the Canadian department in the annual statement forms for life companies.

The statement of premium income has been amplified to show first year, renewal and single, both gross and net, for all classes except industrial.

Under disbursements in respect of annuity contracts, an item has been added to cover death benefits paid under annuity contracts. Companies are asked to state in respect of each currency, other than Canadian, the amount of insurance in force, reserve thereon, par, book and market values of securities, rates of exchange at which the various items are converted for annual statement purposes and the amount at which each item is carried into the annual statement.

In schedule C and D, securities purchased in 1931 and '32 are to be asterisked and are to be entered separately from and immediately following securities of the same issue, if any, purchased in earlier years.

VALUATIONS IN KENTUCKY

FRANKFORT, Jan. 12.—A ruling has been made by W. R. Attkisson, assistant attorney general, that securities of insurance companies in Kentucky may be valued under provisions of the resolution of the National Convention of Insurance Commissioners adopted at the December meeting.

New Tulsa Company's Lineup

The Imperial Life of Tulsa, Okla., is being organized on the stipulated premium basis, capitalized at \$10,000 with total admitted assets of \$18,300 and surplus of \$7,460. L. R. Stansbery, president, is a retired capitalist and director of the National Bank of Commerce. Dr. F. S. Clinton, vice-president and medical director, is a pioneer of Oklahoma and founder and honorary life president of the Oklahoma State Hospital Association. Dr. B. W. Ward is assistant medical director. Albert Carlson, secretary-treasurer, is former president of the State Bank of Stillwell, Okla. Royce H. Savage, general counsel, is former assistant insurance commissioner. General Manager T. L. Spurgeon is an experienced life insurance man. A. M. Sweeney, who assisted in founding the State Life of Indiana, will serve as advisor.

Dallas Companies Merge; Z. E. Marvin is President



Z. E. MARVIN

The Gulf States Life and the Texas Security Life, both of Dallas, have consolidated their business and assets into a new company known as the Gulf States Security Life, headed by Z. E. Marvin, former president of the Gulf States. Charter and permit have been granted by the state.

The new company starts with \$417,000 combined capital and over \$35,000,000 insurance in force. John W. Carpenter is chairman of the board and H. R. Mitchell chairman executive committee. Other officers are J. F. Rodgers, vice-president and agency director; L. T. Carpenter, vice-president and general counsel; Hyman Pearlstone, C. W. Hobson, B. H. Mitchell, G. F. Taylor, C. J. De Woody, A. E. Thomas and William Ochse, vice-presidents; W. C. McCord, secretary; Carl Keyes, assistant secretary; J. E. Owens, vice-president and treasurer, and E. E. Watts, assistant treasurer.

Mr. Rodgers is one of the best known life agency men in Texas, having held a similar position with the Texas Security since its organization some four years ago. Mr. McCord is a graduate actuary who has been actuary of the Gulf States about a year. J. W. Carpenter is president of the Texas Power & Light Co. of Dallas.

President Marvin organized the Gulf States and has been active in its management since it began in 1927. Mr. Mitchell is a veteran insurance man, having headed both the Texas Employers and Employers Casualty since their organization.

The new company occupies offices in the Gulf States building at Dallas, formerly owned by the Gulf States Life.

Look for Some Fireworks

LOUISVILLE, Jan. 12.—The next two weeks are expected to show some developments in the wrangle as between State Auditor Talbott, in charge of the insurance department, and the Kentucky Home Life on the one side and Missouri State Life on the other, with the Missouri State holding its annual meeting Jan. 17 and the Kentucky Home Life Jan. 24. It is a well known fact that some additional Kentucky Home directors have filed their resignations in protest to the action of the Missouri State Life in guaranteeing the \$800,000 loan for use in purchase of Kentucky Home Life stock, in order to secure control of the latter's block of Missouri State stock.

S. B. C. Wood has joined the office of C. J. Allen, Philadelphia general agent of the Travelers, as associate general agent.

Qualification Is Company's Policy

(CONTINUED FROM PAGE 3)

office for instruction with consequent delays.

Mr. Claypool, M. D. Phipps, director of field service, and possibly other officers in February will start a whirlwind tour of the company's agencies in the 36 states in which it operates, holding regional meetings as a part of the effort to strengthen the agency plant.

Scope of the Inquiry

The general agent's questionnaire is arranged as an outline of the objectives which he plans to reach during the year and the methods he will use to reach them, and also a statement of any weaknesses in his agency which need building up and specific kinds of home office cooperation which he thinks might help develop his agency.

He is required to tell how many full-time, part-time and non-productive agents he has, the stipulation being non-productive agents should be put into production within 60 days or eliminated. He must give a picture of his new man power program, the number of full-time and part-time agents he plans to add in the year, and the number of prospective agents' names now in file. He must disclose whether he is making personal contacts to uncover prospective agency material, whether he will advertise for men, whether he circularizes among larger policyholders, business leaders or friends for agency leads, giving details of his plans.

In regard to training, he is asked whether all his agents have completed the company's correspondence sales course, whether he is enrolling new agents in the course, whether he is familiar with the course himself, whether he has any specific plans for aiding agents in building prospect lists and for providing joint field work for new agents and for old agents below quota.

Query on Prepared Talks

He must reply whether he uses organized selling presentations, whether he encourages agents to develop their own organized talks, whether he gives his agents the sales talks he uses himself, whether he insists upon their learning and using the talks prepared by the home office, whether he requires the minimum work program per week from new agents and old agents, how many calls and interviews, and whether quotas have been set.

Another question is whether he requires reports from his agents daily or weekly, or if no regular reports are required, whether he puts agents who are slumping on a report basis to determine what is wrong and correct their weaknesses. Another question is whether he checks individual agents' production regularly and has at least one personal interview covering an agent's production and progress weekly or monthly. He is asked whether he will put all his agents on a quota basis, at least adequate to balance the agent's personal budget.

Another question is whether he holds weekly agency meetings, what day, hour and duration, and whether each meeting is carefully planned in advance. The questionnaire goes on to ask if he uses agency bulletin or blackboard with name of agent and production in agency room, whether he holds agency contests for production, what is the usual duration, what kind of prizes are offered, what plans he uses to get slumping agents back into production.

Attitude on Production Clubs

In regard to production clubs, he is asked how many agents are working for cash prizes and what other agents will start definitely on the app-a-week club plan, listing the names; what agents are definitely working for membership in the One-Two-O convention club, listing the names; whether they have accepted weekly quotas sufficient

to attain this objective and whether the general agent makes sure they are apprised of their standing from time to time. The same questions are asked in regard to the Presidents club.

Following is an agency production schedule for 1933, with paid monthly and annual quota for general agents, agents and brokers.

The general agent finally is asked: "Have you so planned your objectives, your methods and your activities, that all office and other details are taken care of efficiently and with the least possible interruption of your time and energy from production and agency building? Have you developed plans of policyholders' service which are functioning efficiently and yet not requiring an undue amount of your time? State weaknesses in your agency, if any, on which you need help. State specific ways in which the home office can help you on your 1933 program and quota."

Must Prepare Quota Sheet

The final sheet is an agent's quota and plan sheet which must be completed by each agent and returned to the general agent, giving a weekly work program with minimum number of new prospects, sales interviews and production; whether the agent will try to win membership in the One-Two-O club, President's club or App-a-Week club;

whether he will enroll in the Agency Boosters club by bringing in at least one new agent in the year; whether he will enroll in and complete the correspondence course; whether he will set up under his general agency supervision definite plans of prospecting and keeping a prospect file; whether he will agree to organize a day's work on a definite schedule with a minimum number of hours in the field; whether he will use organized selling plans regularly, both his own and those furnished him; and he is also asked what other plans he has formulated to increase his production and personal efficiency.

Reading, Pa., Gets Branch Office

The branch office of the Sun Life of Canada located at Scranton, Pa., in charge of Manager L. R. Yarnell, has been moved to Reading, Pa., inasmuch as more territory has been attached to the office. The Scranton office will hereafter be the Scranton district office.

Continue Supervisors Group

DETROIT, Jan. 12.—At an enthusiastic meeting attended by representatives of 14 agencies, it was agreed that the Detroit Life Insurance Supervisors' Association, whose fate has hung in the

balance since October, has a definite place in the business here and should be continued.

Action on the proposed merger of the Associated Life General Agents & Managers, Life Underwriters Association and Supervisors Association, which was introduced by H. E. VandeWalker, Michigan supervisor of the American Life and chairman of the merger committees of the managers' and underwriters' organizations, was postponed until the Feb. 6 meeting.

American Life Leaders

The American Life of Birmingham, announces the reward of a gold medal to J. Lee Denson, state manager of Mississippi for the largest production for 1932, and one to Whyte Bedford, supervisor at Vina, Ala., for the largest volume of paid for business.

Life Agent Elected Speaker

LANSING, MICH., Jan. 12.—Interests of insurance, particularly the life division of the business, should be well served in the lower house of the Michigan legislature this session, Martin R. Bradley, Reliance Life agent at Hermansville, having been elected speaker of the house.



Great Salesmen of History



CHRISTOPHER COLUMBUS

CHRISTOPHER COLUMBUS gave to the world one of the finest examples of salesmanship. He first sold himself on the idea that the world was round—an idea that everyone else in those times thought preposterous. Men laughed at him; they ridiculed him; they scorned him. But Columbus was not to be denied.

From maps and charts left him by his father-in-law, he decided that a route to the West Indies could be found by traveling west. One day his big chance came. Through the intercession of a monk, Queen Isabella's confessor, Columbus secured an audience with the king and queen and he sold his idea so well that Queen Isabella was willing to part with her jewels in order to finance his expedition. The rest is history.

Vision, persistence, determination and high courage made up the character of Christopher Columbus. He was a master mariner, a master navigator, but greater than these, he was a master salesman.



ROYAL UNION LIFE INSURANCE COMPANY

T. J. McCOMB
Chairman of the Board

DES MOINES, IOWA

J. J. SHAMBAUGH
President

Life Insurance Receivership Problems Unusually Complex

(CONTINUED FROM PAGE 3)

again available to keep that insurance alive without premium payment.

One of the questions with which receivers are confronted most frequently, is whether a person can draw upon his cash value to pay a premium. Abel Davis, the receiver for the Illinois Life, has taken the position that he cannot pay cash surrenders or make policy loans, either in cash or for the purpose of paying premiums, no matter when the application for surrender or loan was received.

Some Concessions Made

In at least one other receivership, the receiver was granted permission by the court in cases of distress to allow the application of a very limited portion of the reserve to the payment of premium. If a policy had an unencumbered value far in excess of the value required to pay the current premium and the policyholder was simply unable to meet his obligation, the receiver was authorized to permit this course. For instance, if the premium were \$25 and the reserves according to the terms of the policy were \$200, the payment might be taken care of in this way. In this case, it was known that some of the assets of the company were good and that when and if reinsurance was consummated on a 100 percent lien basis, such a lien would only be tentative. Auditors, accountants and appraisers computed on an ultra-conservative basis the value of assets, throwing out 40 percent of the assets as absolutely valueless and then taking off another 20 percent for depreciation, resulting in a 60 percent impairment. Therefore, the estimate was that this policyholder had an \$80 equity in his policy. The receiver was therefore permitted to take a lien note

for \$25, the note assigning that policyholder's interest in the equity to the extent of that note.

The question of annuities comes up in receivership. One solution is to permit the annuitant to file a claim for the value of the annuity and participate in the distribution of the assets. This amounts to terminating the contract.

Surrender and Loan Values

Requests for cash surrender values and loans come in after the receivership. These inquiries must be answered by the receiver to the effect that he can't pay cash loans or cash surrender values. The policyholder may either continue paying premiums to keep the policy in force pending reinsurance or may stand on his claim for the cash surrender value. If he takes the latter course his protection is out of force. On the applications for loans and surrender values prior to the receivership, the receiver must instigate the correspondence.

The suggestion has been made in some quarters that a policyholder might cease paying premiums and request that he be given paid up insurance to the extent that his equity would buy after final liquidation of assets. One objection is that it is not practical for an insurance company to have outstanding liability for an indeterminate amount. It is necessary, in making a purchase, to find out first what there is to pay with and not what is going to be purchased.

Basic Principle

A basic principle, which answers many questions in these receivership cases, is that the policyholder's rights become fixed as of the date the receiver is appointed. This would indicate that the company has no right to extend the lien beyond the time when the rights became fixed. Therefore, no lien attaches to the portion of the reserve created by new premiums, paid subsequent to the receivership. The reinsuring company should give the policy-

holder full credit for reserve additions after the date of the receivership. The policyholder should begin to build his reserve at the full rate of his contract and not subject to policy lien.

The question comes up why, in reinsurance following receivership, interest must be paid by the policyholder on his lien. That is to make up the income that the portion of the reserve that is missing would produce, so that death claims may be paid.

With the appointment of a receiver, agency contracts are automatically canceled. The receiver can't pay commissions to agents. In one case, however, the court authorized the receiver to pay to agents so-called "collection fees," not in excess of the renewal commission rate. By doing this, the cooperation of the agents is obtained in keeping the insurance in force and this scheme also helps to reduce agents' balances.

Lien on Encumbered Policies

One question that causes a difference of opinion among actuaries is the amount of the lien on encumbered policies. For instance, a policyholder may have a \$100 reserve in his policy, but may have made a loan against it of \$80. Some actuaries, therefore, contend that the amount of his lien should be only \$20. However, others contend that the amount of the lien should be the original reserve or \$100. This is an important question because the amount on which lien interest must be paid is involved.

In the Illinois Life receivership, there is no departure from the principle that the receiver shall pay nothing to policyholders or give them credit in any way for their cash value.

The receiver informs policyholders that he cannot accept premium extension notes nor extend the time for payment of premium notes now on file. They must be paid when due. The receiver states that he cannot make dividend payments either in cash or for the reduction of premiums or interest due. He cannot make refunds nor pay death

claims, endowment claims, disability or other insurance claims.

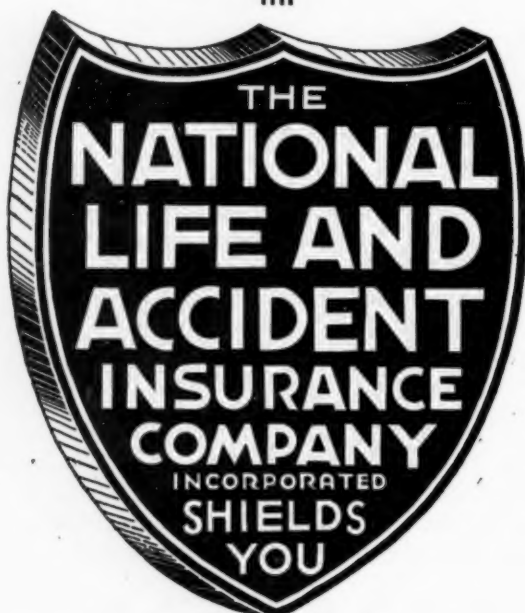
The receiver states that he cannot grant paid up or extended insurance, nor reinstate policies. If a remittance was sent with an application for insurance, it will be held subject to the order of the court as to that application. The receiver states he cannot effect any change in the terms or status of individual policies, including a change of the beneficiary, but all correspondence in connection with such applications will be placed on file.

The court has not directed the receiver to accept claims nor has the time been fixed when such claims are to be filed.

The receiver states he cannot pay renewal commissions, first year commissions, commissions on notes given for the first year premiums, which notes are subsequently paid. He cannot charge net or renewal premiums to agents' accounts. He cannot cancel policies. He cannot cancel policies which have been accepted by the assured, evidenced by signed acceptance receipt. He cannot make cash policy loans, allow surrender values nor permit the reduction of premium on a new policy from the value of the old policy. He cannot extend the time for payment of first year's notes or accept net premiums on subsequent semi-annual or quarterly premiums during the first year.

Disability Coverage

The question of disability coverage comes up in connection with receiverships. In one case, in connection with waiver of premium contracts, the reinsuring company agreed to retain the policy in force without requiring premium payments and that these premiums which the reinsuring company had to pay to keep that insurance in force, should be deducted from the reserve value of the policy or from the proceeds of the policy at death. There is one difficulty in connection with that arrangement. A man might be incapacitated say for five years. His pol-



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Promotions from the field

The National Life & Accident carefully watches its field men wherever they are located. Promotions are always made from the field—from those who show the most promise and have the best records. This Shield Company has built a loyal enthusiastic organization by promoting men who start from scratch—by recognizing merit when due.

Nearly every issue of "Our Shield," a readable, interesting weekly publication for the Shield Family, carries pictures and histories of men who have been promoted because they have made good.

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The NATIONAL LIFE and ACCIDENT INSURANCE CO., Inc.
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icy would be kept in force without the necessity of his paying premium. At the end of that time he might recover his health, but refuse to resume paying premiums and his policy would be terminated. The value in his policy, following final liquidation, might not be enough to reimburse the reinsuring company and of course there would be no chance to get reimbursement from the proceeds at death.

In the case of monthly income disability, the arrangement was made in one case that payments should be made from time to time as the lien is reduced.

General Agents of Home Life Confer

(CONTINUED FROM PAGE 2)

writing principles and practices, particularly from the field standpoint, was given by Leigh Cruess, assistant secretary and underwriting department head. Mr. Cruess cited the general rise in mortality under ordinary policies in the past four years, as compared with the previous four and, taking the experience of the Home Life, showed just what this excess mortality has been year by year. He also cited the figures on heart and associated diseases and accidents, showing that the excess mortality from these two classifications alone practically equals the total excess mortality.

Two Selling Methods

In presenting the idea of "Client-Building" as the 1933 plan of salesmanship, President Fulton said, "Two distinct methods can be pursued by the life insurance man under present conditions. The first one is high pressure salesmanship. It means constantly contacting with new people and making one or two rather desperate attempts to sell them. This method has many objections. So many salesmen have been trying desperately, under present conditions, to sell so many different things to people that sales resistance has been built to a high level. The average person is not only non-receptive to the idea of buying something, but has developed both the habit and technique that defeats attempt to break down resistance.

"The second method is a low pressure method which has none of the attributes which are commonly associated with salesmanship. Instead of sitting at a desk and attempting to convince a man that he wants something and should buy it, you sit alongside of him and help in the solution of his problems. This absence of any attempt at high pressure selling disarms the prospect and removes the resistance. Your impression may be that it is a fine plan for the long run but that you cannot afford it because your problem is too immediate. Quite as a practical matter however, definite results indicate very clearly that this plan is not only the best one for the long run, but that it is producing better immediate results."

The annual meeting of the Home Life Agency Association was held immediately following the company meeting and at this session B. J. Weber, Buffalo, general agent, was elected president to succeed R. C. Ellis, New York general agent. Bryan Bowers, Oklahoma City general agent, was reelected vice-president and W. H. Preble, Boston general agent, was reelected secretary-treasurer.

At the annual banquet presided over by Ethelbert Ide Low, chairman of the board, the three guests of honor, leaders in the two-month drive during November and December, were presented. Mrs. Gertrude M. Gavin, a first year agent at Alliance, Neb., was the leader of the entire organization in these two months. The leader among those starting since Jan. 1, 1932, was I. H. Angell. The third guest of honor, L. O. Tuttle, Boston, showed the greatest percent of gain over November and December.

The leading agency for the year just closed was announced as the Harry

Canada Life Announces New Departure as to Dividends

TO PAY SOME AT MATURITY

Smaller Portion of Surplus Set Aside for Regular Dividend, But Benefits Come Later

The Canada Life has announced an interesting departure in its dividend policy, that is being launched to meet the peculiar exigencies of the times but with the idea that it may be permanently ideal.

Under this method a smaller portion of the company's surplus will be disbursed through regular dividend payments. Believing that the present conditions will not be permanent and that maturing policies should not suffer by any temporary lack of division of surplus, an additional dividend known as a maturing dividend will be paid on policies which mature either by death or endowment during the continuance of this new method. The result will be that those policies which mature through death or endowment during the 12 months' period after receiving the 1933 dividend will in the large majority of cases receive higher dividends than would have been paid to a similar group in 1932.

Persistency Dividend

For the benefit of those policyholders who have maintained their policies in force 25 years or longer and which complete a dividend period during the first six months of 1933, a persistency dividend will be paid in addition to the regular dividend.

These advantages are claimed for the new method:

1. Conserves cash resources and liquid position of the company for the primary purpose of safeguarding the interest of policyholders and beneficiaries, during present abnormal times.
2. Imposes no handicap on present policyholders whose policies mature either through death or endowment during the reconstruction period.
3. Continuing policyholders stand to gain considerably under the new system while those who withdraw their support of the company through surrender or lapsation of policies, will receive less.
4. Will induce conservation of business in force for the benefit of all policyholders and the company.
5. Will discourage switching or twisting of policies, both of which practices are to the disadvantage of our policyholders.

On an ordinary life policy at age 35, the 1932 dividend was \$3.45 in the first year. The immediate dividend under the 1933 scale will be \$2.18 and the 1933 maturity dividend will be \$2.18. At the end of the fifth year, the 1932 dividend was \$4.47, whereas the 1933 dividend immediately will be \$2.47 and the matured dividend will be the same.

There is a reduction in paid up addition dividends, in 1932 that item amounting in the first year under an ordinary life policy at age 35 to \$9.77. The 1933 paid up addition dividend is \$7.03 and the 1933 maturity paid up addition dividend is \$7.03.

Management Proceedings

The printed proceedings of the last annual meeting of the Life Office Management Association are now off the press. Copies of the proceedings can be obtained by nonmembers at \$5 per copy by addressing Secretary F. L. Rowland, Box 346, Fort Wayne, Ind.

Jacoby Agency of New York City, leader in 1932 as well. The St. Louis agency was second. L. L. Rothstein of the Jacoby Agency completed the year as the leading producer with B. P. Gale of Cleveland second.



Dear Fred:

If you had as good a holiday season as I, something tells me there will be a new refrigerator in every kitchen and two policies in every safety deposit box by April.

Right at the moment, I'm all pepped up. The Christmas and New Year's cheer has something to do with it, I suppose, but mostly it's caused by some new dope from U. C. L.

You remember our sales plan on Education Policies — the one I used on you? Well, we have another "merchandised selling" outfit now, and it sure is taking hold! By the time all our featured policies get going under this plan, I'll be an A-1 salesman. Anyone could be!

Another thing. Every day I'm realizing more and more how U. C. L. radio and magazine advertising is giving me sales tools that make all the difference between success and failure. As the Home Office Flying Squad said on its last trip around the circuit, "The regular appearance of the advertising helps to keep the policyholder sold on Union Central Life, and prepares the way for his buying more insurance later on."

And finally, I've up and got ambition! Yes sir — I was reading over the list of agents who wrote their half million in 1932, and I've vowed that some day, be I old and hoary or sparkling with youth, I'll wear the golden key and rub elbows with the members of the Union Central \$500,000 Club!

YOUR OLD ROOMMATE,

Sam



THE UNION CENTRAL
LIFE INSURANCE COMPANY

>> CINCINNATI <<

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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Member Audit Bureau of Circulations

Unemployment Insurance Near

We cannot escape unemployment insurance. Whether a plan can be worked out that will enable private companies to write it satisfactorily remains to be seen. Unemployment insurance involves a large social service and with little experience to guide us, outside of that abroad, we will for a time at least sail a sea that is not well charted. Perhaps unemployment insurance, involving as it does such a wide scope of beneficence, becomes a governmental enterprise. Certain it is that the legislatures have it soon to meet.

This question will be a paramount one, especially as the principle has been endorsed by the AMERICAN FEDERATION OF LABOR at its recent convention in Cincinnati. Wisconsin has already adopted a law pertaining to unemployment insurance. Thus far nine state commissions have favorably reported on the principle of insurance of this character. It is predicted that between 15 and 20 others will consider unemployment insurance propositions in their legislatures.

Naturally any measure enacted will have to be based more or less on the results of European plans. There is plenty of theory being expounded. In view of the fact that this question does loom up as an important one, many organizations and associations have studied the question and are trying to devise schemes. Employers object to any further compulsory provisions placed upon them because they already are burdened and it is a question how much more they can pass on to the consumer. The plan underlying almost

all propositions is for the employer to contribute a certain amount and the workman a certain amount.

The Ohio commission on unemployment insurance has been hard at work holding hearings throughout the state. The bill it recommends provides that employers pay 2 percent of their payroll and the employees 1 percent of their wage into the insurance fund. Fifty percent of the worker's weekly wage would be paid to him over a maximum of 16 weeks after a waiting period of three weeks if he were totally unemployed. In any case, the benefit would not exceed \$15 a week. Governor ROOSEVELT of New York a couple of years ago vetoed a bill which would have granted a private insurance company the right to go into the unemployment insurance field. The actuarial work for the Ohio committee was done by Dr. I. M. RUBINOW, secretary of the INDEPENDENT ORDER OF B'NAI BRITH. He was president of the CASUALTY ACTUARIAL SOCIETY for two years and is author of the Rubinow accident table.

Business men undoubtedly feel that some form of unemployment insurance will have to be recognized. Many insurance executives who have investigated the question thoroughly are inclined to doubt whether this is an insurable proposition for a private company. The danger lurking in the air is that half baked schemes may be adopted without sufficient flexibility and thus we may have settled on us measures which do not really fill the bill.

Mr. Van Schaick's Reappointment

It is gratifying to all in the business to have Superintendent GEORGE S. VAN SCHAICK of New York state agree to accept another term of office. Even with so many of the high-minded, competent and earnest commissioners catapulted out of

office because of the political storm, the business as a whole will have the advantage of Mr. VAN SCHAICK's continued counsel and help. He has proved to be one of the strongest men in the supervising line that has come to the front

PERSONAL SIDE OF BUSINESS

Stuart Strong, Portland general agent for the State Mutual Life, has been elected president of the Oregon branch of the League of Nations Association.

Selbert S. Saffold, general agent for the Provident Mutual Life at Cleveland, died recently at Ocala, Fla., where he had been staying for about a month. Mr. Saffold had been general agent at Cleveland for the Provident Mutual for 30 years. He was born in Mobile, Ala., in 1852, but had lived in Cleveland for more than 50 years.

Miss Virginia Mae Woodward, daughter of Milton L. Woodward, general agent Northwestern Mutual Life in Detroit, has announced her engagement to W. L. Donnmoeyer of Chicago.

James J. Parks, vice-president Missouri State Life, celebrated his 81st birthday Jan. 10 and agents of the company are paying tribute to him by special production efforts. An "81 Club" contest is being staged. The 81 members will be the agents who write and pay for the largest volume of new business Jan. 10-19 inclusive. Some agents are planning to write \$81,000 in 81 hours in honor of "Daddy" Parks' 81st birthday. Others hope to write an "app" a day for the ten days of the contest.

Samuel Ashby, president of the American Savings Life of Indianapolis, recently underwent a serious operation in a local hospital where he will be confined for two or three weeks longer.

Governor George White of Ohio has appointed Clyde P. Johnson, vice-president of the Western & Southern Life, as chairman of the state housing commission.

Frank L. Pearce, head of the policy records department of the Sun Life of Montreal, died there last week. He had been with the Sun Life for 16 years.

A silver anniversary celebration in honor of Frederick White of the White & Odell agency in Minneapolis has been inaugurated by the Northwestern National Life of Minneapolis, with which organization Mr. White has been identified for a quarter of a century. Minnesota field men will participate in the special campaign sponsored for the occasion.

Louis A. Simons, 58, agency manager in Kansas City for the American Central Life of Indianapolis, committed suicide at his home there Jan. 7. Mr. Simons had been in the insurance business there for 22 years, and had been very successful.

C. W. Linder, manager at Ottumwa, Ia., of the Equitable Life of Iowa, died at his home there from pneumonia. He had been ill for six weeks and had recently undergone several emergency operations.

Wade Patton, who has represented the Columbus Mutual Life at Hutchinson, Kan., since 1930 and has been one of its leading producers, serving as president of the agency club in 1931, has organized the Wade Patton & Co. Insurance Agency Organization, to take over the insurance business of the Carey Real Estate & Investment Corporation, of which he has been manager for the past eight years. Several of the department heads of the old agency are associated

in recent years. Sincere, honest and intelligent, he has endeavored to be fair to all concerned. It is his type of supervision that is counting in these days of trouble and uncertainty.

with him in the new organization, including Frank McCain, assistant manager of the life department.

J. F. Malone, general agent Reliance Life at Pittsburgh, was the speaker at the San Francisco office Jan. 5. Mr. Malone for the past three years has made the remarkable record of producing over \$1,000,000 each year of medium sized policies. He went to the coast to attend the Pittsburgh-U. S. C. football game at the Rose Bowl, Pasadena.

R. A. Grant, 52, general agent of the United Mutual Life of Indianapolis at San Antonio, Tex., died from a heart attack at his home there.

C. C. Day, general agent Pacific Mutual Life, has been reelected president of the board of directors of the Guardian Foundation of Oklahoma City.

John E. Barry, Sr., 70, former general agent Massachusetts Mutual Life in St. Paul, died as a result of injuries sustained when he was struck by a skidding automobile.

W. S. Handley, manager at Columbia, S. C., for the Mutual Life of New York, was tendered a testimonial dinner by his agency force in celebration of his completion of 33 years of continuous service with the company. He started in the Columbia office at the bottom, working his way up to manager in June, 1919. The agency then had \$15,500,000 insurance in force. It now has approximately \$28,000,000.

H. L. Quigley for the seventh time has had his name inscribed on a bronze plaque in the Northern Life tower as leading producer for the Northern Life of Seattle. He has won this distinction seven times out of a possible 15.

R. E. Irish, vice-president Central Life of Illinois, is on the Pacific Coast making appointments in Los Angeles, San Diego and San Francisco. The Security Life of America, which the Central Life recently took over, had a large volume of business in California.

Goes to Hartford



DR. C. E. HOMAN, JR.

Dr. C. E. Homan, Jr., of Chattanooga, Tenn., has been appointed assistant medical director of the Connecticut Mutual. He is a member of the staff of the Erlanger hospital in Chattanooga. He is a graduate of Johns Hopkins Medical School.

NEWS OF THE COMPANIES

Missouri State Life Muster

Company Has Now Assumed the \$800,000 Loan Made by Three St. Louis Bankers

The annual meeting of the stockholders of the Missouri State Life will be held on Jan. 17 when 13 directors will be elected to serve for one year. The Kentucky Home Life block is the largest single grouping of Missouri State Life stock outstanding. The company has 500,000 shares of stock and under the state's cumulative voting statutes the Louisville company would be entitled to four places on the Missouri State Life board. There has been some question as to how this stock will be voted but its voting rights are governed by the Missouri corporation statutes.

The resignation of M. L. Emerich of Chicago, a partner in the New York investment banking firm of Hallgarten & Co. from the board and executive committee of the Missouri State, became known shortly after the executive officers of the company had taken over an \$800,000 collateral loan made by three large St. Louis banks to the Insurance Equities Corporation.

The action of the executive officers carried out a commitment entered into by the executive committee of the Missouri State when the First National Bank of St. Louis, the Boatmen's National Bank and the Mississippi Valley Trust Company made the loan to Insurance Equities. Collateral for the loan was 11,944 shares of Kentucky Home Life, 4,100 shares of United Life & Accident of Concord, and 8,500 shares of Philadelphia Life.

The \$800,000 loan enabled Insurance Equities Corporation to purchase control of the Kentucky Home Life, owner of 148,050 shares of Missouri State stock, and is said to have paved the way for the consummation of a five-year voting trust plan for the control of the Missouri State Life which has been proposed by Superintendent Thompson of Missouri. The Missouri State has now taken up the loan from the banks.

The collateral put up for the \$800,000 loan was stock of the Kentucky Home Life, United Life & Accident and Philadelphia Life. The Shenandoah Life of Roanoke, Va., which is controlled by the Barnes-Cohen group, owns about 22½ percent of the stock of the United Life & Accident.

Annual Statement of the Pan-American Life Issued

The Pan-American Life of New Orleans has published its statement as of Dec. 31, 1932, showing total assets \$28,824,567 and surplus to policyholders, \$2,755,689, including \$1,000,000 capital.

Real estate is carried at \$1,741,720; first mortgage real estate loans, \$12,291,049; United States and other bonds, \$3,798,361; policy loans, \$6,788,755; premium notes, \$1,674,654; cash, \$569,742; accounts receivable, \$225,793; net uncollected and deferred premiums, \$975,073; accrued interest, \$423,000. The policy reserve amounts to \$25,237,469.

The Pan-American held its 1933 convention in New Orleans the first three days of this week.

Success with New Policy

The Bankers Reserve Life of Omaha has been writing "money back" policies since Oct. 1, with the result that over \$3,000,000 was written in the 90 days. So successful has it been that the system will be extended to the entire field very soon.

Sees New Hope in Returns

President Cox of the Union Central Life Analyzes the Figures for Eight Months

The Union Central Life reports a gain of \$1,300,000 in paid-for business during the last eight months of 1932 over the corresponding period of 1931. The total paid-for business for December was \$11,009,963, an increase of \$228,000 over the same month the preceding year. Applications for new insurance in December, 1932, amounted to \$15,549,301 as compared with \$14,754,296 in December, 1931.

Commenting on the year's business, W. Howard Cox, president of the company, said:

"An analysis of our 1932 business presents an impressive picture of optimism for the year ahead. The important thing in this analysis is the trend of our business during 1932. During the last eight months of 1932 the Union Central showed an increase of nearly \$1,500,000 over the last eight months of 1931 and these increases grew rapidly as we approached the close of the year. The substantial increases in new business which we have been experiencing during recent months give a rosy hue to the outlook for 1933. Indications for the coming year point to an extension of the favorable sales trend of last year."

"Significant also is the fact that policy loans began easing off in June and have shown a continued decline. In November, applications for loans were \$1,523,000 under the total amount in May. This decrease in insurance loans reflects an improved condition in business generally."

Is in Very Liquid Condition

Western & Southern Life Presents Its Annual Statement Showing Its Present Financial Status

The Western & Southern Life in its new annual statement shows assets \$128,351,597. Some of the main items in the assets are city real estate, exclusive of its home office, \$2,025,572, farm property \$702,674, city mortgage loans \$92,307,685, farm mortgage loans \$1,988,165, policy loans \$8,749,976, cash and United States government bonds \$12,882,932, municipal bonds \$5,882,932. The company states that all real estate nets 5 percent on the book value. Its capital is \$10,000,000 and surplus over and above capital and liabilities \$10,236,125. President Williams states that all the real estate has been depreciated below present values and all mortgage loans are of positive and certain value. All bonds are carried at their amortized value with not a single default.

Continental American Year

Annual Financial Exhibit Shows the Company to Be in Very Excellent Shape

The Continental American Life of Wilmington, Del., is one of the earliest companies to get out its annual financial statement. In spite of the present economic conditions which prevailed last year, its new business was only 9 percent less than the previous year and its insurance in force diminished 2.4 percent. More than 80 percent of the new insurance was in policies of \$5,000 or more, thus continuing the remarkable record of the company in past years in that respect.

The assets increased 4 percent and are 13 percent greater than the legal

1933

ALL SIGNALS SET "GO"

For every alert, up-and-going life insurance man, the year 1933 holds unusual opportunity. All signals are set "Go"! A pre-determined goal and a well planned program are two prime essentials to success.

The Missouri State Life offers a full kit of up-to-the-minute working tools—liberal agency contracts, prompt underwriting service, helpful field co-operation, and policies to meet every need — Life, Accident & Health, Group, Salary Savings.

A Good Company to Represent



MISSOURI STATE LIFE INSURANCE COMPANY

St. Louis, Missouri

An organization
of thirty-seven
years experience
... sound ...
... progressive
... congenial

Central Life
Assurance Society

(MUTUAL) DES MOINES, IOWA



EASIER PROSPECTING

Send for booklet
"The Company Back of the
Contract"

Does he need it? Can he get it? These first two questions in prospecting must be answered by Fidelity agents as well as all other agents. But Fidelity's lead service in most cases answers for its agents the third fundamental question of prospecting—can he pay for it?

The Selection is Good

It automatically separates the wheat from most of the chaff. Those who reply for the most part can pay for the protection. Thus the most important feature of today's prospecting is minimized for Fidelity workers.

The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President

reserve and all other liabilities. Therefore, there is an ample margin of safety. Its securities are well diversified, 30 percent of the assets being in bonds, 3 percent in preferred and bank stocks, 31 percent in city mortgages, 3.3 percent in farm mortgages, 2.5 percent in real estate, 27 percent in policy loans and 3.7 percent in cash. The contingency reserve is \$284,958, which is over and above the capital and surplus of \$1,729,328. The officers feel that this is ample to take care of any future investment losses.

The agency operations were aggressively pushed during 1932. The most outstanding development was the opening of the New York City office Oct. 1. The new business last year was \$18,278,324 and the insurance in force is now \$105,331,067.

Victory Life Report Is Filed

Audit and Recommendations Submitted Six Months After Failure of Negro Company

Report of the receivers, who were appointed July 11, 1932, for the Victory Life of Chicago, a Negro institution, including an auditor's report by Harry S. Tressel, has just been filed in the federal court at Chicago. The receivers are seeking an order of the court permitting an extension of 30 days, during which stockholders of the Victory Life could submit proposals for rehabilitation. In the event such plans were not submitted, the order would provide that the receivers should advertise for bids for reinsurance.

A. A. McKinley and James W. Gullett are the receivers. D. A. Watts of the law firm of Fisher, Boyden, Bell, Boyd & Marshall represents the receivers. The receivers state that the 16 branch offices of the Victory are still being maintained as collection centers. The premiums collected from July 8 to Nov. 30 amounted to \$97,751, of which \$76,206 were cash and \$21,545 loans on reserve. Insurance in force has shrunk from 15,486 policies amounting to \$14,490,493 at the beginning of the receivership to \$10,184,858 in November.

Bonds Are Amortized

The Tressel audit shows bonds on an amortized basis and real estate and mortgage loans are not placed on a cash sale price. On this basis, admitted assets, as of Sept. 30, 1932, are given as \$1,025,609, and liabilities, exclusive of capital, \$1,035,626.

The Victory Life was linked up with the Douglass National Bank, now in receivership. The receiver for the Douglass National now is seeking \$48,900 assessment on the bank stock held by the life company. Tressel contends that this assessment should be resisted on the ground that the Victory Life paid a 45 percent assessment before the Douglass National receiver was appointed.

Real estate is listed at \$289,659; mortgage loans, \$376,305; collateral loans, \$49,250; policy loans, \$87,982; bonds, \$153,583; stocks, \$75,593, and deposits, \$31,878.

There was an over-issue of Victory Life stock of 1,827 shares on which the liability is \$45,675.

The receivers recommend that the policy loan and surrender value applicants be asked to withdraw their requests and be assured that if the policies are kept in force their full rights and values probably would be restored.

Should Resume Payments

Much of the insurance is not on a premium paying basis and the receiver states the policyholders should be induced to resume payment.

The reserve amounts to \$736,477. Total death claims unpaid are \$51,703; there was \$78,000 borrowed from the Reconstruction Finance Corporation.

Policy loans pending are \$30,856 and surrender values \$2,059.

The company is paying renewal commissions, according to Tressel's audit, and is keeping open its 16 branches.

This cost the company \$4,100 in September, he said.

Tressel's report stated that the premium cards are scattered about the office and there is danger that they may be lost.

Tressel makes 11 recommendations, some of which the receivers concur in and some of which they do not.

Tressel is a director of the Missouri State Life and was associated with M. J. Dorsey in the Keystone Holding Company, Security Life, Northern States Life and the Inter-Southern Life.

Detroit Life Not Affected by Holding Company Crash

Appointment of a receiver for the Insurance Securities Corporation of New Orleans in no way affects the Detroit Life, which is owned by Insurance Securities, according to W. Irving Moss, president of the New Orleans concern. In addition to the Detroit Life the Insurance Securities owned the Union Indemnity, La Salle Fire and Union Title Guarantee Company, all of which went under with the parent concern. The Union Indemnity in filing collateral for its loan from the Reconstruction Finance Corporation put up Detroit Life stock owned by the Insurance Securities Corporation, the Union Indemnity group holding company.

MICHIGAN GIVES ASSURANCE

LANSING, MICH., Jan. 12.—Michigan department officials this week hastened to give assurance that the Detroit Life is in sound financial condition and is unaffected by the receivership proceedings involving the other Moss companies at New Orleans. The Detroit Life holds no securities of the other properties for which the Insurance Securities was holding company.

Acme Life Being Organized

The Acme Life in the Kennedy building at Tulsa, Okla., is now in process of organization. W. R. Shirley, former chairman of the board of the Yeomen, and its president, is head of the Acme Life. George Kabureck, formerly of Springfield, Ill., is connected with the company.

New Des Moines Company

An Iowa license has been issued to the American Farmers Mutual Automobile of Des Moines, which was chartered last November. This company is affiliated with the American Farmers Mutual Life of Des Moines and the officers are the same, they being William McArthur, president; C. R. Schoby, vice-president; Guy L. Roberts, secretary, and Burt H. Neal, treasurer.

Mr. McArthur is also president of the National Travelers Casualty of Des Moines, an accident and health company.

Northern States Situation

John W. Morthland, receiver for the Northern States Life of Hammond, Ind., is now working on a general report of the assets, liabilities, investments, etc., of the company and he expects to have this completed in detail shortly. In the mean time, Mr. Morthland is soliciting bids for the reinsurance of the Northern States' business. He states that a number of companies have indicated interest and he expects definite bids within a few days.

Most of the policies of the Northern States are well aged and well selected, according to Mr. Morthland, and any one securing this business would secure a first class list of policyholders. The court is eager that any reinsurance agreement entered into be with some person who is financially responsible to carry out the contract and to have such reinsurance that the policyholders may feel that this is the last reinsurance of their policies.

A certain percentage of the Northern States' business was acquired through

reinsurance agreements and Mr. Morthland feels that from now on any reinsurance agreement entered into should be with such company as will remain in business indefinitely, so that the policyholders may feel that their policies will be with a strong and well managed company and they need have no fear in continuing their premium payments and will feel that their contract will be carried out.

Ohio National Dividend

The Ohio National Life of Cincinnati has paid a dividend of 10 percent to stockholders. Last year it paid 12 percent.

"Your company for the year 1932," President T. W. Appleby advises stockholders, "will show a substantial increase in surplus funds, in addition to the payment of the dividend, and the absorption of investment losses incident to the times. This company has not had

to borrow money from any source to meet the demands produced by policyholders' withdrawals of funds in the form of loans and surrender values."

To Have New Home Office

The Northwestern Life & Accident of Seattle has let the contract for construction of a new home office building, and has also increased its capital from \$150,000 to \$200,000. Plans call for a two-story colonial style structure at East 43rd and Brooklyn in the University district of Seattle.

The company expects to seek admission to all the Pacific Coast and intermountain states shortly, according to President T. C. Brownlee.

Connecticut Mutual

The Connecticut Mutual reports a new paid volume of \$102,000,00 in 1932, over \$950,000,000 insurance in force and mortality in the year 58 percent of expected.

AMONG COMPANY MEN

Donald Mix Gets Promotion

Head of Conservation Unit of State Mutual Is Appointed Assistant Agency Superintendent

Donald G. Mix, who for some years has had charge of the conservation unit of the agency department of the State Mutual Life, has been appointed assistant superintendent of agencies. He has been with the company for 10 years. During his first few years he was connected with the dividend department. He took charge of the conservation department in January, 1926. In 1930, this department became associated with the agency department under Vice-President Stephen Ireland. Last year Mr. Mix contacted nearly every agency, including the four Pacific Coast offices. Mr. Mix is a Dartmouth man.

Vice-President Ireland now has three assistants, J. H. Eteson and Donald G. Mix, assistant superintendents, and R. C. Mix, agency supervisor.

Spackman Goes to Cleveland

W. H. Spackman, educational director of the Edward A. Woods Company, general agent of the Equitable of New York at Pittsburgh, has resigned to become agency assistant in the Herman

W. Moss Agency, which is general agent for the Equitable Life of New York in Cleveland. Mr. Spackman has had considerable experience in agency training and life insurance publicity work and is well equipped for his new position.

Acacia Reassigns Duties

The Acacia Mutual Life has reassigned duties of some of its recently elected officers. Vice-President J. P. Yort will take charge of the field department and Secretary S. E. Mooers, in addition to his usual duties in that office, will have charge of the management of the home office. L. K. Crippen will have charge of the actuarial department.

Morris Is Elected Director

At the annual meeting of the North American Life of Chicago this week, W. O. Morris, secretary and actuary, was elected a director. J. H. McNamara, chairman of the board, was reelected.

Names Mortgage Loan Supervisor

The National Guardian Life, Madison, Wis., has appointed Frank A. Springer field supervisor of mortgage loans. He was formerly cashier of the First State Bank of Elmwood, Wis.

LIFE AGENCY CHANGES

Ard Named to Yonkers Post

Made General Agent There for Penn Mutual—Formerly with Haviland Newark Agency

The Penn Mutual has appointed Harry C. Ard as general agent at Yonkers, N. Y. He has been with John T. Haviland, Newark general agent, since 1924, serving successively as agent, cashier and, from 1926, as agency superintendent. His connection with Mr. Haviland began when the latter had charge in New York City of the general agency of the Equitable, and has been continued since Mr. Haviland's joining the Penn Mutual in 1930. During the last two years Mr. Ard has given his entire time to recruiting, training and supervision.

The members of the Newark Agency, W. H. Wallace officiating, presented to Mr. Ard a handsome onyx, double inkstand, having an athletic figure in green bronze. An attached gold plate bore an appropriate inscription.

Mr. Ard's first employment was as a teacher of shorthand in the University of Dallas, Tex., in 1912-13. He was

secretary to the vice-president of the City National Bank in Dallas from 1914 to 1917. In 1920 he moved to New York City, and until 1923 was secretary to the president of the Phillips Petroleum Company.

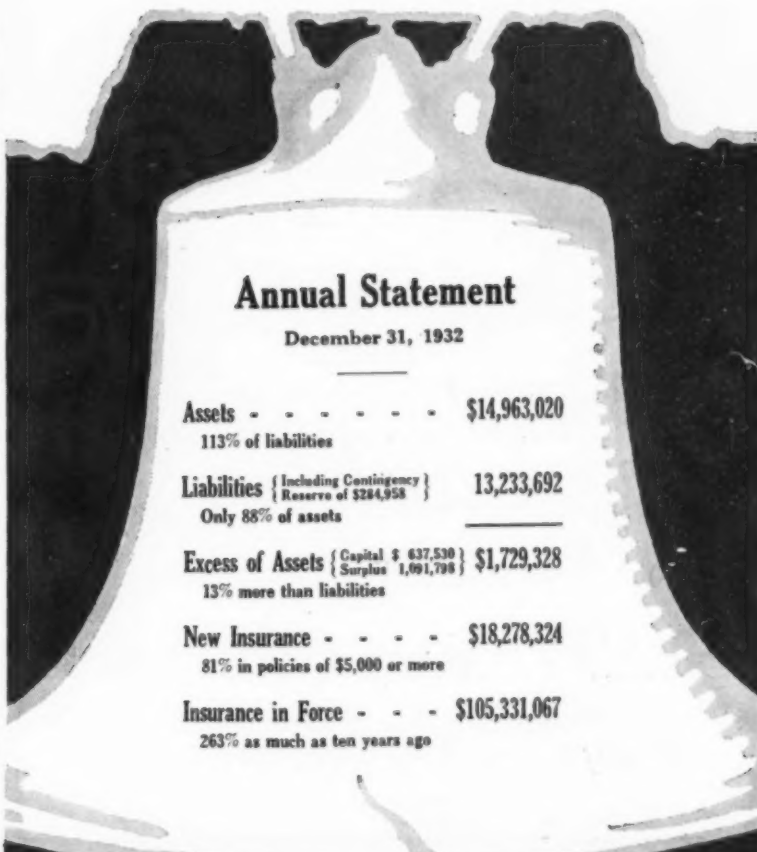
L. H. Stohr, S. W. Sill

L. H. Stohr, agency director at Salt Lake City, Utah division, for the New York Life for the past 16 years, has retired and will be succeeded by Sterling W. Sill. Mr. Stohr began his career with the New York Life 41 years ago, going to Salt Lake City ten years later. Mr. Sill formerly was a soliciting agent at Layton, Wash., and last October was appointed agency organizer. He was one of the speakers at the San Francisco convention of the National Association of Life Underwriters last year.

Judd C. Benson, O. J. Fisher

The Union Central Life announces the consolidation of the Kansas City and Wichita agencies. Judd C. Benson, manager of the Kansas City agency, becomes manager of the consolidated organization. O. J. Fisher, formerly manager of the Wichita agency, has re-

ORIGINATORS OF THE FAMILY INCOME POLICY



Annual Statement

December 31, 1932

Assets - - - - -	\$14,963,020
113% of liabilities	
Liabilities { Including Contingency } { Reserve of \$284,958 }	13,233,692
Only 88% of assets	
Excess of Assets { Capital \$ 637,530 { Surplus 1,091,798 }	\$1,729,328
13% more than liabilities	
New Insurance - - - -	\$18,278,324
81% in policies of \$5,000 or more	
Insurance in Force - - -	\$105,331,067
263% as much as ten years ago	

Continental American Life Insurance Company

Wilmington, Delaware

A New Year and a NEW DEAL FOR YOU

Opportunity awaits the man who wants to get ahead in the next five years. A chance to make more sales, more money, and establish a business of your own. Never before has there been a greater market for accident and health insurance, because people everywhere realize the necessity of insurance and the dependability of insurance companies. Inter-State offers a well rounded line of up-to-date policies to suit all requirements. We need men to introduce these policies, and will give to the right men, thorough training, sales aids, and liberal commissions. This is your opportunity for a new start and a new deal. Full or part time work. Openings for agency managers. Write your name on the margin of this ad today and mail for complete information. Dept. 26.

Inter-State

BUSINESS MEN'S Accident Company

A Legal Reserve Co. Est. 1908
Ernest W. Brown Pres. Des Moines, Iowa



65—then what?

The wise investor today is thinking in terms of future income

This descriptive booklet encourages thoughtful consideration of each individual problem

State Mutual Retirement Income guarantees absolute security against future uncertainties by paying income when it is most needed

STATE MUTUAL LIFE

ASSURANCE COMPANY

WORCESTER, MASSACHUSETTS

Incorporated 1844



There Must be Some Reason for the Outstanding Success of the OHIO STATE LIFE Field Representatives

SOME OF THE REASONS

1. FINANCIAL STRENGTH OF COMPANY
2. "AGENCY MINDED" HOME OFFICE
3. COMPETITIVE POLICY EQUIPMENT
4. REMUNERATIVE CONTRACTS

A REAL COMPANY FOR REAL MEN

THE OHIO STATE LIFE INSURANCE COMPANY
Columbus, Ohio

U. S. BRANDT
President

F. L. BARNES
Agency Vice President

turned to Ohio to become assistant manager of the Dayton, O., agency in charge of new organization.

Henry E. Belden, Jr.

Henry E. Belden, Jr., has been appointed associate manager of the Los Angeles agency of the Union Central Life. He will be in charge of new organization and production under Mark S. Trueblood, assistant superintendent of agencies, now in charge of the southern California division.

Mr. Belden has been with the New Orleans agency as supervisor. He succeeds S. P. Stump, who has resigned to devote his entire time to personal production.

Marquis & Ellsworth

The Provident Mutual Life announces the merger of the Rockford, Ill., office with the Marquis Agency of Chicago. Leonard Ellsworth, former general agent at Rockford, will be associated with Mr. Marquis in the firm of Marquis & Ellsworth. The office is located at 1601 Otis building.

Fred J. Zwald

Fred J. Zwald has been appointed agency manager at Grand Rapids, Mich., for the National Life of U. S. A. Mr. Zwald, who was formerly with the home office agency in Chicago, has taken an active and important part in the sales management of manufacturing concerns for many years, and has had headquarters both in Chicago and Grand Rapids, where he is well known.

R. F. Perry

R. F. Perry has been appointed general agent of the home office agency of the Modern Life of St. Paul. Recently Mr. Perry has been with the Equitable Life of Iowa and formerly was with the Minnesota Mutual.

C. B. McClure

The Ohio State Life has appointed C. B. McClure general agent at Dallas, Tex., with offices at 721 Republic Bank building. He will also open a branch in Wichita Falls. Mr. McClure recently resigned as general agent in Dallas for the Continental Life.

O. J. Neibel

Oliver J. Neibel, for the past nine years assistant trust officer for the Commerce Trust Company of Kansas City, has been appointed agency supervisor for the J. P. & E. M. Somerville agency of the Penn Mutual Life there, succeeding Neil Somerville.

Besides his work with the life underwriters' association as an instructor in trusts and C. L. U. courses, Mr. Neibel is an instructor in wills at the Kansas City School of Law.

H. M. Williams

H. Marshall Williams, formerly of Providence, R. I., has been appointed manager of the Phoenix Mutual Life in Omaha.

H. A. Davidson

H. A. Davidson has been appointed general agent for the Franklin Life at Rock Island, Ill., with offices at 410 Safety building. He has been in insurance work there 32 years, the past 23 years representing the Illinois Life.

U. Ogden Etchison

U. Ogden Etchison has been appointed general agent of the Continental Assurance of Chicago in 25 northeastern Indiana counties with headquarters at Fort Wayne, Ind. He has been supervisor for the Federal Reserve Life at Fort Wayne in territory comprising some 30 counties.

Life Agency Notes

G. O. Weiss has been made manager of the Western & Southern Life at Bat-

Heads Cleveland Office of Bankers of Nebraska



W. M. LISCOM

The Bankers Life of Lincoln, Neb., has opened a new office at 871 Union Trust building, Cleveland. William M. Liscom, formerly supervisor under W. C. Butler, general agent for the company in Chicago, has been appointed general agent in charge of the Cleveland office.

Mr. Liscom has been the company's leader in production for the last four years. He is a graduate of University of Illinois.

I. L. DeVoe, assistant manager of agencies from the home office, was in Cleveland last week to aid in starting the new office.

He entered the service of the company as agent in Kalamazoo in 1927 and has made an excellent record as agent and superintendent.

The Capitol Life of Denver has closed its Seattle office. W. J. Benston was formerly Seattle manager.

Cravens, Dargan & Co., Texas managers for the Old Line Life of Milwaukee, have appointed R. B. Bluntzer general agent at Corpus Christi, Tex.

It was stated in a recent issue that V. A. Helfenstein, manager for the Equitable of Iowa at Charlton, Ia., had been appointed manager at Council Bluffs. This should have been the Equitable of New York. Mr. Helfenstein was formerly manager at Charlton for the New York company.

Bryan Recommends Separate Department, Expenditure Cut

LINCOLN, NEB., Jan. 12.—While Governor Bryan in his message to the legislature now in session kept his word to the insurance men to recommend the creation of a separate insurance department, with the director reporting only to him instead of as now to the secretary of the department of trade and commerce, his budget message, which followed, recommended a cut in the total appropriations from the \$102,000 appropriated for the present biennium to \$88,000 for the one beginning next July. Of this amount \$24,000 only will be raised by the direct property tax. The new head of the department, to be known as director of insurance, will receive the same salary as now paid the commissioner, \$4,000 a year.

The serious illness of the governor has prevented any consideration of state appointments save for the positions where vacancies exist, and in the case of Lee Herdman, present commissioner, it is understood that no appointment will be made until the legislature acts one way or the other on the proposal to make insurance a separate bureau.

PACIFIC COAST AND MOUNTAIN

Sales Congress in Portland

Sponsored Jointly by Managers and Life Underwriters Association—Thompson and Berkowitz Head-liners

PORTLAND, ORE., Jan. 12.—At the sales congress here Monday, sponsored by the Life Managers Association and Life Underwriters Association of Portland, the head-line speakers were C. C. Thompson of Seattle, president National Association of Life Underwriters, on "What the Life Insurance Man Means to the Community," and Rabbi J. Berkowitz, on "The Part Played by Life Insurance in Your Business, Home and Spiritual Life."

J. B. Merken, Mutual Life of New York, president Life Underwriters Association of Oregon, gave the address of welcome and E. Clay Brock, manager Travelers, introduced George Schoeffel, general agent Union Central, leader of the morning session.

Addresses at that session included: "Prospecting," by L. J. Wadsworth, Travelers, Portland; "Retirement Income Insurance," John Houston, Equitable Life of New York, Klamath Falls, Ore.; "Life Insurance Completes the Picture," W. K. Hood, Mutual Life of New York. A humorous skit was given by Bob Mullen, Penn Mutual, and C. C. Coffey, Aetna Life.

At the afternoon session L. C. Lewis, Oregon Mutual Life, presided. Addresses were: "Life Insurance of Today as Viewed by a Mayor-Elect," J. K. Carson; "Interviews—Getting Them and Controlling Them," Horace Mecklem, New England Mutual; "Association Activities," C. C. Thompson; "The Future of Industrial Life Insurance," P. H. Dickerson, Prudential.

Warren Horner Joins the F. E. McMullen Agency

W. M. Horner, formerly manager of the Provident Mutual Life at Minneapolis, and later a well known life insurance lecturer, has joined the Massachusetts Mutual Life organization at Los Angeles with General Agent Frank E. McMullen. Mr. Horner is made manager of sales promotion.

The McMullen agency made an out-

standing record in December, demonstrating that business can be sold in spite of the times. There are 28 full time agents in the office and they worked under a rival contest between two divisions. The paid for business reached \$1,019,602, in comparison with an average production over the 23 preceding months of a little more than \$350,000.

C. L. U. Course Starts

SAN FRANCISCO, Jan. 12.—The first meeting of the C. L. U. training course conducted by the University of California extension division and the San Francisco Life Underwriters Association was held Monday. Salesmanship and fundamentals will be considered, Dr. Royal Roberts being in charge of the salesmanship sessions and Prof. A. H. Mowbray and H. J. Hoflich in charge of the fundamentals sessions.

Equitable Agencies Make Good

W. H. Glines, superintendent of agencies, western department of the Equitable of New York on the Pacific Coast, is enthusiastic over the results of his department for 1932. For the past three years a contest has been held each fall from Nov. 9 to Dec. 20 for the 11 agencies under his supervision. Each agency exceeded its allotment ranging from 105 to 186 percent.

Heads Women's Division

Mrs. Lee Davenport, Portland, Ore., prominent worker in club and civic affairs, has been appointed manager of the women's division of the United States Life and will take charge of women representatives of the company throughout Oregon.

Aviation Restriction Upheld

OLYMPIA, WASH., Jan. 12.—Life insurance companies are free under Washington laws to write policies containing clauses limiting their liability for deaths in airplane accidents, the state supreme court holds. The right of the companies to impose such limitations was challenged by Commissioner Fishback.

C. G. Moore, Pasadena, Cal., district manager, Equitable Life of New York, married Miss Gretchen Ziegler, Los Angeles, recently.

NEWS OF LIFE ASSOCIATIONS

Install Cleveland Officers

C. W. Hippard to Assume Presidency of Association There at Its Next Meeting Jan. 20

CLEVELAND, Jan. 12.—The Cleveland Life Underwriters Association will install its newly elected officers and directors at the next meeting, Jan. 20, when R. S. Koehler, Jr., special agent for the Mutual Benefit Life in Pittsburgh, will speak on "P. O. P."

The new officers are: President, Charles W. Hippard, Northwestern Mutual; vice-president, E. W. Brailey, New England Mutual; second vice-president, E. B. Fisher, National Life of Vermont; treasurer, J. H. Rutherford, Phoenix Mutual; managing director, G. H. Thobaben; directors: D. C. Dickson, Equitable Life of New York; W. H. Smith, State Mutual; F. N. Winkler, Mutual Benefit; J. H. Phipps, Provident Mutual; R. A. Wesselman, New York Life; O. H. Schumacher, Massachusetts Mutual, and C. M. Updegraff, Equitable Life; annual committeeman, H. G. Wischmeyer, John Hancock Mutual. Holgar J. Johnson, Pittsburgh, gen-

eral agent of the Penn Mutual, trustee of the National Association of Life Underwriters and former president of the Pittsburgh association, addressed the general agents and managers group of the association Jan. 10 on "Agency Problems for 1933."

Texas—The Texas association's annual sales congress for the northern section will be held in Dallas Jan. 30. Over 500 attendance is expected. The Dallas congress will be one of a series of four to six to be held in various sections. Others probably will be held at Houston, San Antonio, El Paso and in the Panhandle section.

Columbus, O.—The Columbus association's annual sales congress will be held March 2. It is expected that upwards of 500 life underwriters from central and southern Ohio will attend. C. C. Doyle is in charge of the program.

San Francisco—The annual leading producers' dinner has been set for the night of Feb. 9. Myron L. Fairchild, vice-president of the association, heads the committee in charge.

Des Moines—W. W. Williamson, senior member of Williamson & Wellbeloved, Connecticut Mutual general agents in Chicago, spoke Jan. 7 on "Getting Under

Compensation !

WHY is the institution of life insurance successfully riding the waves of national financial distress? The answer is not good luck, vast profits, or tricky manipulations. . . . It is so obvious, axiomatic, and simple, that the average mind, through its tendency to search for obscure causes, overlooks it.

Life insurance survives because its corner-stone is scientific conservatism. Quick profits, speculation, guess-work, grasping at the merely expedient have no place in its methods. Life insurance knows that, at the bottom of the wine of prosperity, are the dregs of depression. . . . In times of plenty, it entrenches itself against attacks of panic. . . . It survives the worst because it cherishes the best.

Life insurance, neither pessimist nor optimist, is cold, calculating science, recognizing human frailty and nullifying its evils.

AMERICAN CENTRAL LIFE
INSURANCE COMPANY
INDIANAPOLIS, IND.

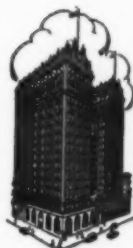
The Road Ahead

The success ahead of a life insurance salesman depends upon five definite things—

1. Himself
2. His field
3. His policy contracts
4. His contract
5. His company

All of these are equally important. If all are good, success can be predetermined.

To the man who possesses the right qualifications, we will supply the other requisites of the right field, the right policies, the right contract, with the right Company.



Home Office

For information address:
A. R. Perkins, Agency Manager

JEFFERSON STANDARD
LIFE INSURANCE COMPANY

JULIAN PRICE, President
Greensboro, North Carolina



Future Financial Needs In Relation to Each Other

When current income is depended upon to take care of future financial requirements, there is an advantage in considering them together.

The agent equipped to sell accident insurance and annuities, in addition to life insurance, is in a favorable position to suggest plans that will be sound and worth carrying out.

**Connecticut General
Life Insurance Company**
Hartford, Conn.

Foundations ---

of business are built from the successful accomplishments of years. As an institution grows, it develops foundations in keeping with its needs.

Security Mutual Life has tried to build so well that, in entering a period such as the immediate future, it will be able to take full advantage of the great opportunities afforded.

Forge ahead with us.

**Security Mutual Life
Insurance Company**
BINGHAMTON, N.Y.

Their Skins." He was introduced by M. L. Seltzer, president Des Moines association, who worked under Mr. Williamson in Chicago for three years.

Philadelphia—C. D. Connell, general agent Provident Mutual, New York, will discuss agency problems at the January luncheon-meeting of the managers division of the Philadelphia association.

Quincy, Ill.—Organization of the Quincy association has been completed and application for charter will be made to the National association. These officers have been elected: C. H. Radeka, president; J. T. Shuck, vice-president, and Kenneth Dickson, secretary-treasurer. They will be installed at the meeting Feb. 7, at which Nathaniel Blanchard, state president, will be guest speaker.

L. O. Schriver and a group of Peoria members attended the organization meeting and assisted in the final details.

Council Bluffs, Ia.—At the annual meeting Vern Drennan, New York Life, was elected president; Covert Brown, Equitable Life of Iowa, vice-president; Frank Faraday, Connecticut Mutual, treasurer, and Pearl G. Clovis, secretary. H. A. Miller, Connecticut Mutual, is the retiring president.

Frank Summers, Nebraska manager of the New York Life, was the speaker.

Peoria, Ill.—C. Vivian Anderson of Cincinnati, vice-president National association, will speak before the Peoria association Jan. 20 on "Mental Attitude." W. M. LaPeer, vice-president Peoria association, is in charge of the meeting.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Mutual Life's 1933 Dividends

Detailed Figures on Popular Policies
Are Announced—About 83 Percent
of 1932 Scale

Details of the Mutual Life of New York's 1933 dividend scale have been announced. The figures are about 83 percent of the 1932 schedule. Data for the principal policies follow:

1933 ANNUAL DIVIDENDS PER \$1000

End of Policy Year	Age at Issue				
	25	30	35	40	45
1.....	5.16	5.47	5.85	6.36	7.02
2.....	5.27	5.60	6.01	6.55	7.29
3.....	5.38	5.74	6.18	6.76	7.57
4.....	5.50	5.89	6.36	6.97	7.87
5.....	5.63	6.03	6.53	7.20	8.17
6.....	5.76	6.18	6.72	7.42	8.48
7.....	5.88	6.33	6.90	7.68	8.79
8.....	6.02	6.49	7.09	7.93	9.11
9.....	6.16	6.65	7.29	8.20	9.44
10.....	6.29	6.82	7.49	8.47	9.77
11.....	6.43	6.99	7.70	8.76	10.09
12.....	6.58	7.16	7.94	9.05	10.41
13.....	6.73	7.34	8.18	9.34	10.71
14.....	6.89	7.53	8.43	9.64	11.03
15.....	7.04	7.73	8.68	9.94	11.35
16.....	7.21	7.93	8.95	10.24	11.64
17.....	7.37	8.15	9.22	10.53	11.95
18.....	7.55	8.37	9.49	10.81	12.25
19.....	7.73	8.61	9.78	11.09	12.54
20.....	7.91	8.85	10.05	11.38	12.84
21.....	8.10	9.11	10.33	11.65	13.12
22.....	8.31	9.36	10.60	11.94	13.41
23.....	8.53	9.62	10.86	12.22	13.69
24.....	8.75	9.88	11.13	12.48	13.95
25.....	8.98	10.14	11.39	12.75	14.21
26.....	9.23	10.41	11.65	13.02	14.45

20-Payment Life

End of Policy Year	Age at Issue				
	25	30	35	40	45
1.....	6.34	6.65	7.03	7.48	8.06
2.....	6.56	6.89	7.30	7.77	8.42
3.....	6.78	7.14	7.57	8.08	8.79
4.....	7.02	7.40	7.86	8.40	9.18
5.....	7.26	7.66	8.15	8.73	9.57
6.....	7.51	7.93	8.43	9.07	9.99
7.....	7.76	8.21	8.75	9.44	10.40
8.....	8.03	8.50	9.08	9.81	10.83
9.....	8.30	8.80	9.41	10.20	11.26
10.....	8.58	9.10	9.75	10.60	11.70
11.....	8.87	9.42	10.10	11.02	12.14
12.....	9.17	9.75	10.49	11.44	12.57
13.....	9.47	10.09	10.87	11.87	13.00
14.....	9.80	10.44	11.28	12.31	13.44
15.....	10.12	10.80	11.69	12.75	13.88
16.....	10.47	11.18	12.12	13.20	14.32
17.....	10.81	11.58	12.55	13.64	14.78
18.....	11.18	11.98	13.00	14.09	15.23
19.....	11.55	12.41	13.45	14.54	15.69
20.....	11.94	12.84	13.91	15.01	16.16

20-Year Endowment

End of Policy Year	Age at Issue				
	25	30	35	40	45
1.....	7.47	7.66	7.88	8.18	8.58
2.....	7.58	7.86	8.29	8.59	9.03
3.....	7.80	8.49	8.71	9.01	9.49
4.....	8.74	8.93	9.15	9.46	9.96
5.....	9.19	9.38	9.60	9.92	10.46
6.....	9.67	9.84	10.07	10.39	10.96
7.....	10.15	10.32	10.55	10.89	11.48
8.....	10.65	10.82	11.05	11.41	12.01
9.....	11.17	11.34	11.56	11.94	12.55
10.....	11.70	11.87	12.09	12.49	13.09
11.....	12.26	12.42	12.65	13.06	13.64
12.....	12.83	12.99	13.25	13.63	14.19
13.....	13.42	13.58	13.82	14.22	14.74
14.....	14.04	14.19	14.44	14.83	15.30
15.....	14.67	14.82	15.07	15.44	15.87
16.....	15.33	15.48	15.72	16.06	16.46
17.....	16.01	16.16	16.38	16.69	17.05
18.....	16.72	16.86	17.06	17.33	17.66
19.....	17.45	17.58	17.76	17.99	18.28
20.....	18.20	18.32	18.47	18.66	18.91

15-Payment Life

End of Policy Year	Age at Issue				
	25	30	35	40	45
1.....	7.09	7.47	7.90	8.41	9.05
2.....	7.38	7.78	8.24	8.79	9.50
3.....	7.67	8.10	8.59	9.18	9.95
4.....	7.97	8.44	8.96	9.59	10.43
5.....	8.29	8.78	9.34	10.01	10.92
6.....	8.62	9.13	9.73	10.44	11.43
7.....	8.95	9.49	10.13	10.90	11.94
8.....	9.30	9.87	10.54	11.38	12.46
9.....	9.66	10.26	10.97	11.87	13.00
10.....	10.03	10.67	11.42	12.37	13.54
11.....	10.41	11.09	11.88	12.90	14.09
12.....	10.80	11.51	12.37	13.43	14.63
13.....	11.21	11.96	12.86	13.97	15.18
14.....	11.63	12.42	13.38	14.52	15.74
15.....	12.07	12.90	13.91	15.09	16.32

10-Payment Life

End of Policy Year	Age at Issue				
	25	30	35	40	45
1.....	8.63	9.13	9.70	10.37	11.16
2.....	9.06	9.58	10.29	10.91	11.79
3.....	9.49	10.06	10.71	11.45	12.44
4.....	9.94	10.55	11.25	12.07	13.11
5.....	10.41	11.06	11.80	12.68	13.79
6.....	10.89	11.58	12.38	13.31	14.50
7.....	11.39	12.12	12.96	13.98	15.22
8.....	11.91	12.68	13.58	14.66	15.96
9.....	12.44	13.26	14.21	15.36	16.71
10.....	12.99	13.86	14.87	16.09	17.48

15-Year Endowment

End of Policy Year	Age at Issue				
	25	30	35	40	45
1.....	8.93	9.14	9.37	9.69	10.09
2.....	9.52	9.73	9.97	10.27	10.71
3.....	10.14	10.35	10.58	10.88	11.34
4.....	10.78	10.99	11.21	11.52	12.00
5.....	11.45	11.64	11.86	12.17	12.67
6.....	12.13	12.32	12.54	12.85	13.37
7.....	12.84	13.02	13.24	13.56	14.08
8.....	13.57	13.75	13.97	14.29	14.80
9.....	14.35	14.51	14.72	15.05	15.54
10.....	15.12	15.29	15.49	15.82	16.30
11.....	15.93	16.10	16.29	16.62	17.06
12.....	16.77	16.93	17.13	17.44	17.84
13.....	17.64	17.80	17.99	18.27	18.62
14.....	18.55	18.70	18.87	19.13	19.43
15.....	19.48	19.62	19.78	20.00	20.26

10-Year Endowment

End of Policy Year	Age at Issue				
	25	30	35	40	45
1.....	11.92	12.19	12.48	12.84	13.29
2.....	12.91	13.16	13.45	13.80	14.27
3.....	13.92	14.17	14.45	14.79	15.27
4.....	14.97	15.22	15.49	15.82	16.31
5.....	16.06	16.30	16.56	16.89	17.38
6.....	17.19	17.41	17.68	17.99	18.48
7.....	18.36	18.57	18.82	19.14	19.60
8.....	19.56	19.77	20.02	20.32	20.74
9.....	20.82	21.02	21.25	21.54	21.91
10.....	22.11	22.30	22.53	22.79	23.11

Bankers National

The Bankers National Life of Jersey City, it is reported, plans a decrease in its 1933 dividend schedule of 50 percent for first year dividends and 10 percent for nine subsequent years. The interest rate for trust funds will be 4% percent and 4½ percent for accumulated dividends.

Prudential

The Prudential announces the apportionment of dividends to policyholders amounting to \$82,900,000. Of this, \$57,100,000 is allotted for those who have industrial policies. Ordinary policyholders will benefit from dividends of \$25,800,000. In the case of the industrial branch and

CLAY W. HAMLIN "DEFINITIZER" SYSTEM

Manual for the manager on Mr. Hamlin's complete time control plans and 3 copies of the "Definitizer" for \$1.00.

Insurance R & R Service
Indianapolis, Indiana

for intermediate policies, the dividends apportioned are at the same rates as they were a year ago. The ordinary policies will receive dividends on a somewhat reduced scale, averaging about \$1.15 per thousand of insurance below last year's scale.

Reserve Loan Life

The Reserve Loan Life of Indianapolis discontinues the issuance of the income feature of disability Jan. 15, 1933. This company has been issuing a \$10 per \$1,000 income benefit with a six months' waiting period. No change is made in the waiver of premium benefit.

Great West Life

A further and important extension of its retirement annuity service has just been announced by the Great West Life. The plan calls for a minimum monthly premium. It results from the popularity of the retirement annuity contract recently introduced by the company.

Wisconsin Life

The Wisconsin Life announces that first year dividends are increased 20 percent for 1933 and all others increased 30 percent. This brings the schedule back to 65 percent of the 1931 scale except for the first dividend which is 60 percent of that scale. Interest on proceeds remains at 5 percent.

State Life of Indiana

The State Life of Indianapolis has announced a 50 percent reduction in dividends to cover the first two months from March 1. The interest rate has been reduced to 4.5 percent. The State Life has discontinued its disability income provision but retains the waiver of premium clause.

Union Labor Life

The Union Labor Life of Washington, D. C., will continue its 1932 dividend schedule this year.

Equitable of Iowa

The Equitable Life of Iowa will continue its dividend scale this year, using the same as last year.

Teachers Insurance & Annuity

The Teachers Insurance & Annuity of New York City has reduced its dividends 50 percent this year.

AS SEEN FROM CHICAGO

HOBART & OATES RALLY

Hobart & Oates, general agents of the Northwestern Mutual Life in Chicago, will hold their annual agency dinner next Monday evening when President M. J. Cleary will be the chief speaker. During the day there will be a business meeting, Assistant Agency Superintendent Nelson Phelps having charge of the morning session and Assistant Secretary H. R. Ricker taking charge in the afternoon. Mr. Ricker is an authority on income settlements.

CONDUCT TWO-DAY SCHOOL

The Mutual Trust Life conducted a school on fundamentals for the five Chicago general agencies, lasting two days. The first day was devoted to life insurance fundamentals and the second day to the fundamentals of selling. President E. A. Olson and Vice-president A. B. Slattengren were speakers. B. N. Woodson, executive assistant, was chairman. Approximately 110 persons attended. The company is pushing a country-wide program of time control and prospecting, particularly emphasizing the benefits of canvassing "referred prospects" recommended by Abner Thorp of the Diamond Life Bulletins. The Mutual Trust urges its agents to maintain a program calling for not less than two selling interviews every working day and not less than eight calls a day. The two-call system is recommended, one call to get information about a prospect and the other to make the sale. The daily calls should be allo-

CONVENTIONS

Agents Gather at Wilmington

Continental American Life Holds Conference—President Rydgren to Open Two-Day Meeting

WILMINGTON, DEL., Jan. 12.—Managers and agents of the Continental American Life will meet here tomorrow and Saturday, preceded by a session for managers only, which is being held today. As the company was admitted in New York State last October, the present convention will be the first at which its New York offices have been represented. One of the speakers will be M. J. Lauer of the Hancel-Lauer agency in New York city. He will talk on "What We have to Sell."

Tomorrow's meeting will be opened by President A. A. Rydgren. Vice-President George A. Martin and other executives will address the gathering. The annual banquet and dance will take place tomorrow night. Saturday there will be a meeting in the morning, followed by a luncheon and later an inspection tour of the home office building.

Central Life Group Meeting

About 30 agents from the branch offices of the Central Life of Iowa at Cedar Rapids, Waterloo and Davenport attended a group meeting at Cedar Rapids. Home office representatives on hand were P. H. Young, superintendent of agents; G. T. Carlin, educational director; P. H. Hondrop, assistant actuary, and V. H. Ellingson and D. D. Johns, supervisors.

Branch managers who participated were M. G. Fox, Cedar Rapids; M. A. Reep, Waterloo, and W. D. Moore, Davenport.

Equitable Life Managers Meet

The managers of the Equitable Life of New York throughout the country met this week in Atlantic City.

The Ohio State Life will hold its annual agency assembly in Columbus, Jan. 26-28.

cated among those for information, selling, age change and securing names of referred prospects. The Mutual Trust, although it has a number of prepared canvasses, is not insisting upon their use in this particular campaign, but has prepared several suggested approaches.

COYNER AGENCY CONGRESS

The C. L. Coyner agency of the Mutual Life of New York in Chicago, covering the city and northern Illinois, held an all-day sales congress. Mr. Coyner spoke on "Why Did You Enter the Life Insurance Business?" R. E. Spaulding, Mutual Life manager in Chicago, on "Country Agent vs. City Agent," and W. G. Warren, manager of the Mutual's clearing house in Chicago, on "Your Activities as Seen by the Clearing House." A number of district managers and agents gave talks. J. J. Kilough, agency organizer, explained the ordinary life contract. There was a sales demonstration in the afternoon.

AETNA LIFE SALES CONGRESS

The Aetna Life's general agency in Chicago under S. T. Whatley, recently named vice-president effective March 1, will hold a one-day sales congress at the Edgewater Beach hotel Feb. 23 as a farewell party to Mr. Whatley and welcome to R. S. Edwards, new general agent in Chicago after that time, who will go from New York. K. A. Luther, retiring vice-president, who becomes joint general agent in New York

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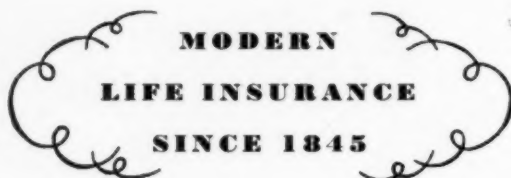


EQUITABLE LIFE
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INSURANCE FOR MEN, WOMEN, AND CHILDREN.. STANDARD, SUB-STANDARD, AND PREFERRED RISK

THE LINCOLN NATIONAL LIFE
INSURANCE COMPANY

FORT WAYNE, INDIANA.



To be a company distinguished by successful service to all its members is the Mutual Benefit ideal. Each added benefit and each freedom from restriction offered in new policies is extended also to old policyholders wherever possible. That is why Mutual Benefit life insurance has been modern since 1845.

THE MUTUAL BENEFIT

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1871—1933



THE LIFE INSURANCE COMPANY OF VIRGINIA

Richmond

Bradford H. Walker
President

SOMETHING ABSOLUTELY NEW

A THRIFT Certificate with Payments Insured
in the event of Death of Certificate Holder
12 Years Matures \$1,000.00 Contract at \$4.75 per Month

Loan, Cash and Paid Up Values After One Year
Valuable General Agencies Available in Illinois

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City; L. O. Schriver, Peoria, Ill., general agent of the Aetna Life, and Messrs. Whatley and Edwards will speak. M. C. Chier, of the Milwaukee agency, one of the company's leading producers, will give a sales demonstration on life income. A banquet will be held. The event also will be a mark of respect to Mr. Luther, who is entering his 35th year with the Aetna Life and has been vice-president ten years.

DOW EDUCATIONAL DIRECTOR

Frank C. Dow, formerly a construction engineer and railroad man who had much to do with electrification of some lines around Chicago, has been appointed educational director of the S. T. Whatley general agency of the Aetna Life in Chicago. He has been an agent in that office for three years. During the time he made an intensive study of the educational side of the business.

HARRIS TRUST'S ACTION

In the Dec. 23 edition of THE NATIONAL UNDERWRITER, the statement was made that the Harris Trust & Savings Bank holds \$16,000,000 in bonds of the Stevens hotel and a chattel mortgage for \$4,690,750.

This statement is not correct. The Harris Trust & Savings Bank is quali-

fied under the trust act of the state of Illinois to accept and execute trusts, and in this capacity is the trustee under the indenture dated July 1, 1925, securing the first mortgage bonds of the Stevens Hotel Company, and as such trustee, holds the chattel mortgage as collateral representing additional security for the bonds.

In view of the fact that the Stevens Hotel Company became in default under several provisions of the trust indenture, the bank as trustee for the purpose of protecting the interests of the bondholders, filed a bill in the United States district court to foreclose the lien of the trust indenture and of the chattel mortgage, and on Dec. 20, 1932, Judge Wilkerson granted permission to foreclose.

The Harris Trust & Savings Bank is one of the largest institutions in Chicago. As of Dec. 31, 1932, it reported total resources of \$127,347,625, capital \$6,000,000, surplus \$6,000,000 and undivided profits \$1,816,522. Its deposits amounted to \$110,045,737.

HINTZPETER AGENCY'S RECORD

The H. C. Hintzpeter agency of the Mutual of New York in Chicago closed 1932 in a whirlwind finish, paying for \$1,562,000. This boosted the total for the year over \$14,000,000.

AS SEEN FROM NEW YORK

By R. B. MITCHELL

LUTHER-KEFFER AGENCY

The Luther-Keffer Agency is to be the name of the Aetna Life general agency at 100 William St., New York City, after March 1 when Vice-president K. A. Luther leaves the home office to become associated with R. H. Keffer in New York. This is in accordance with an announcement just given out by Mr. Luther and Mr. Keffer. The Luther-Keffer Agency will be the Aetna Life's only general agency in New York City under the new arrangement. All other New York City agencies have been or will have been by March 1 discontinued, with the exception of the present 42nd Street general agency which will become a branch office of the Luther-Keffer Agency and will be under the management of E. A. Muller.

The new Luther-Keffer Agency will be one of the largest agencies in the country. Mr. Luther enters the partnership with a background of experience, executive leadership and agency management surpassed by few in the business. Mr. Keffer, likewise, has a record of extraordinary achievement. His appointment to the 100 William St. general agency in 1927 was in itself a telling testimony to his capabilities. Taking over the Aetna Life's largest single agency he has successfully built it to still greater heights.

MILLER TO "HERALD-TRIBUNE"

George Miller, former insurance editor of the New York "Evening Post," has gone with New York "Herald-Tribune" to conduct its insurance department.

Reliance Life Men at Cleveland

The annual sales congress of northern Ohio representatives of the Reliance Life was held in Cleveland Jan. 6. H. T. Burnett, supervisor for western Pennsylvania, and E. C. Sparver, sales manager, represented the home office and spoke. Several Ohio general agents and leading producers also spoke.

Injunction Is Denied

COLUMBUS, O., Jan. 12.—Judge C. J. Randall in the common pleas court here this week overruled a motion to enjoin the American Insurance Union, Inc., from paying out money belonging to the American Insurance Union, fraternal, for which it is trustee. The mo-

Opens New Agency



J. M. EISENDRATH

Julius M. Eisendrath, whose appointment as manager for the Guardian Life of New York was announced last week, will have his new offices in the Empire State building. As branch manager for J. C. McNamara, Mr. Eisendrath was located at 245 Fifth avenue. Mr. McNamara and the Guardian recently parted company.

tion had been filed by Mrs. M. P. M. Cassidy of Pittsburgh, in connection with her suit for payment of a claim, which is in dispute. A motion for the appointment of a referee to take testimony in regard to the financing arrangements of the two organizations also was overruled by Judge Randall.

To Hold Toronto Agency School

HARTFORD, Jan. 12.—The training of new men to meet present conditions, recruiting and personal production by managers are a few of the questions which will be discussed at the two-week school in agency building of the Life Insurance Sales Research Bureau which is scheduled to start in Toronto, Feb. 13.

Iowa Uprising Is Clearly Explained

(CONTINUED FROM PAGE 1)

agricultural states the law provides for this redemption period of one year, so that the mortgagee acquiring the property by foreclosure does not receive a deed to the property until the redemption period is over.

The deficiency judgment question probably would not have arisen if it had not been for the Iowa law which automatically gives the mortgagee the right to levy against the debtor's other properties unless this right has been specifically waived by agreement with the debtor before the foreclosure sale. While the company had not gone through the formality of waiving this right, it had no intention of exercising it in this case any more than in the many other cases in which the same circumstance arises.

Farmer Rented Property

It is interesting to note, in the light of the attitude of sympathy for the downtrodden farmer which has colored news dispatches from that section of Iowa, that the debtor, Johnson, did not live on the property or operate it as a farm, but rented part of it to his son and part to another tenant.

Johnson is a member of the "Farmers' Holiday Association," whose members picketed roads in that section of the state to keep other farmers from delivering produce to Sioux City and other centers.

After the attack on the attorney, which culminated in raising the bid to cover the full amount of the indebtedness, the same group forced itself into the judge's chambers and attempted to get him to agree not to sign any more foreclosure decrees until the state legislature should have a chance to pass a moratorium measure.

Group Prepared to Protest

The farmer group was assembled, ready for action, several hours before the sale in protest against the foreclosure. While it was the amount of the bid, when disclosed at the sale, that touched off the group's wrath, their assembling was more in the nature of protest against foreclosures in general, and particularly where one of the association's members was concerned. No protest was made at a foreclosure next day at which the property was owned by a farmer not belonging to the association.

Daniel Boone Hits 'Financial Vandals'

(CONTINUED FROM PAGE 1)

in such companies should not become panicky and permit any one to talk them into sacrificing this protection. But, on the other hand, they should remember that the present situation is but temporary and that they never again will be able to purchase new life insurance for the same low rates they are paying on their old policies taken out at younger ages."

Mr. Boone predicts that there will be a further recession in life insurance production for the first few months of the year, but as conditions improve, he expresses the belief that insurance sales will increase and that a gain over 1932 may be shown at the end of 12 months.

Big Opportunity Exists

Mr. Boone calls upon the agents to realize their big opportunity and redouble their efforts to educate clients and the many persons who are not now properly protected. Many men in the field, he said, have not recovered from the shock of the depression and are giving too much thought to hard times.

Life insurance is on the threshold of a new era of increasing usefulness, having won world-wide esteem and renewed confidence through an unexcelled record

of stability in the most trying period in the history of the institution, according to Mr. Boone.

Mr. Boone said no one had the remotest idea that one day the vast reservoirs of financial resources built up through the land would be called upon almost overnight to play a leading part in saving the country from a ruinous panic. "But life insurance was well prepared for the crisis," he said. Life insurance alone has been able to meet every demand on its resources dollar for dollar and still maintain at par all of its policy contracts. Where else, he asked, can be found securities sold 10, 20, 30 and 40 years and more ago that are worth today exactly what the salesman told the buyer they would be valued at? It was only because life insurance in the days of prosperity had guided its steps in accordance with correct principles in the conduct of the business that it has been able to withstand so splendidly the terrific financial demands that have been made upon it.

"I am sure that the future is of great promise to life insurance. Perhaps it will begin to realize on its new possibilities during 1933," he concluded.

Clearly Upholds America's Farms

(CONTINUED FROM PAGE 2)

states is that a company may loan 66 2/3 percent of the fair value of the real estate.

"But conservative as is the Wisconsin law, the management of the Northwestern, years ago, made its own law, and it provided in that law that it would not loan to exceed 40 percent of the fair value of the land, plus 20 percent of the fair value of the improvements on the land.

Became More Conservative

"Further than that, when we went more or less 'loony' during and following the war, and land in the Mississippi Valley went to \$400, \$500 and \$600 an acre, the Northwestern Mutual again legislated, and it said it would not loan to exceed 40 percent of the value of the land and 20 percent of the value of the buildings, or \$100 per acre, whichever is lesser, regardless of the sale price and regardless of the amount of the appraisal.

Tells About Condition

"At the present time we have foreclosed real estate that represents approximately 1 1/2 percent of the assets. We are not disturbed about that. Of course we don't want it. We would be glad if we hadn't been required to take it. But we are not disturbed about it because that real estate represents choice farms, well located in the choice farming areas. The buildings, the soil, the fences are being maintained. Ninety-eight percent of those farms are under lease to desirable tenants. The company is not seeking to sell, nor will it sell these good farms unless the price and other conditions are favorable. To believe that we are going to ultimately stand a terrible loss on account of those farms is to abandon faith in America, because these values are basic. Suppose we were to write them off the books today. What would they represent? They would represent \$15 out of each \$1,000 of assets. But we don't think of writing them off the books because we own the land, in the choice areas, well maintained, at an average cost of less than \$40 per acre.

Worse Conditions in the 70's

"We went through a distressed condition in this country in 1873 to 1879, and our foreclosed real estate ran up \$90 per \$1,000 of assets, as compared with the present \$15. In 1893 to 1899 we went through another upset and our real estate went up to more than \$30 per \$1,000 as compared with the present \$15.

"At the beginning of the year we had \$190,000,000 invested in city mort-



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A Dollar's worth for every Dollar paid regardless of kind of policy purchased

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,961.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

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A conservative expansion program starting in January, 1933, by an old, sound, non-participating middle western life insurance company will create openings for 5 general agents and other agents in the middle west. Here is a real opportunity for men who can qualify.

Our contracts are liberal, our policies modern. Agents will receive careful Home Office supervision and training.

Write in confidence and give full details in first letter.

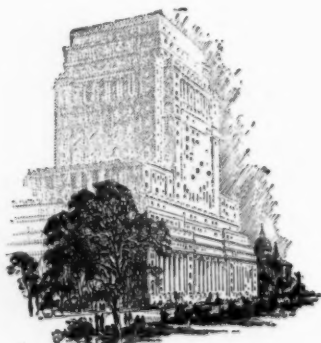
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Agents, profiting by the exceptional money-making opportunities of our Golden Rule Contract, now may place Monthly Premium Policies, as well as those on the Annual, Semi-annual or Quarterly basis.

A Monthly Premium Depositing Plan is certain to be popular in times like these.

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to an ever-increasing number of satisfied Policyholders, during which time every obligation has been fully and promptly met.

**SUN LIFE ASSURANCE
COMPANY OF CANADA**

Head Office: Montreal

gages. Every dollar of that money was invested in mortgages on centrally located business properties. With rare exceptions, that money was invested in mortgages on buildings and real estate of the office building type—that class that fluctuates least from the standpoint of income and of value.

"We are now three years into the depression, and the annual statement will show that we own one piece of city real estate other than the home office building—a bank and office building in Lima, Ohio, representing an investment of about \$340,000, that came to us because the bank that built it and owned it failed—a property that cost over three times the company's investment.

Tells About Bonds

"We have railroad bonds as have the great majority of the leading life companies. If those bonds had to be dumped on the market and converted into cash today the loss would be great. But let us always keep in mind the fact that a life company does not buy bonds and other securities with the idea of being compelled to sell them, and in rare, if any instances, up to now, have any of the companies been compelled to sacrifice securities.

"The bonds owned by the Northwestern Mutual are, by and large, the underlying issues of the major railroads of the United States. If America is to live, and I haven't any doubt it is going to, it must find an answer to the railroad problem. We can't be the America that we have been as a business organization without a healthy transportation system. We can't be safe overnight as a nation without a healthy system of railroads. An answer to the problem of the major railroads of the United States must be found. We are not, at the home office, disturbed by the ultimate outcome of our railroad securities.

Bonds in Default

"You will be interested in knowing that on Oct. 1 our bonds in default as to principal or interest were materially less than the amount in default on Jan. 1, 1932. You will be interested also to know that even at this step, less than \$100,000 of principal is in default in the \$300,000,000 of bonds owned by the company.

"An interesting fact is that in number of bonds in default as to principal or interest, the municipals, the issues of governmental units far outnumber the rails. An interesting thing for us as citizens to think about is that in all the chaos that we hear about and think we see, here is an institution with \$300,000,000 worth of bond investments, and the number of governments in default far outnumber the rails.

Has Faith in America

"There is nothing in this picture up to the present time that justifies you or the people in losing confidence in the established life companies of this country. We have our own institutions built upon securities that are first liens on the basic values of America. Their properties were selected with care. They were selected in the light of experienced judgment. The amounts loaned upon them were conservative percentages of conservative valuations. No institution of human origin has met in so great a degree its obligation and its promise to the people as has life insurance in this crisis in the lives of so many people. You have a worth while message. You represent a wonderful business. Its foundations are sound."

Southern Supervision Changed

R. M. Vandiver, formerly general agent in Alabama for the Kansas City Life, has resigned to devote his time to personal production. The state passes under the supervision of the home office management. Ed Chappell, whose territory includes, Florida, North Georgia and Mississippi, with offices at Birmingham, will have direct supervision of the territory.

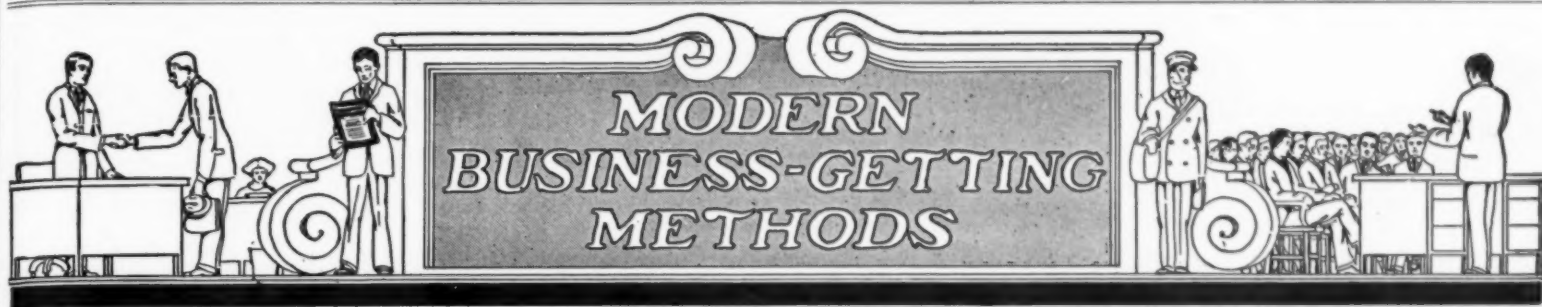
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To get COMMONWEALTH Life underwriters started on the right track, the home office furnishes them with: ¶ A handbook of Agency Development for General Agents and Managers. ¶ A simple elementary training course; duly followed by—

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LOUISVILLE, KY.**



Pointers on Handling Women Given at Equitable Congress

NEW YORK, Jan. 12.—Some practical pointers in dealing with women prospects were brought out by Miss Clara L. McBreen of Louisville in addressing the sales congress staged last week by the metropolitan board of managers of the Equitable Life of New York.

Miss McBreen, an Equitable agent since 1924, writes 98 percent of her business on women. She divides women into four classes: the young woman, with whom the main difficulty is getting her to take thought for the future; the professional woman, who constitutes perhaps the largest field of any group; the married woman, who is likely to find the greatest appeal in insurance which promises a monthly income; and widows, who are an excellent class of prospects for annuities as well as life insurance.

Sentimental Side of Sale Is Important

The average male agent in selling to women fails to appreciate their sentimental side and properly appeal to it, Miss McBreen said. Women are not as much interested in what life insurance is as in what it will do. Once they are sold on that, the question of exact cost does not matter much, if they can afford it, and it is a mistake to bring the cost question in too prominently.

D. B. Curry, of the Equitable's Roanoke agency, pointed out that a life agent must play three roles, executive, solicitor, and secretary, and must so allot his time as to function most effectively in all three capacities.

The element of time being the agent's biggest stock in trade, he must take care to conserve it and utilize it in the most efficient manner possible, Mr. Curry said.

"Peace-of-Mind" Program Gets Two Apps a Week

Louis Behr, Chicago, stressed the importance of visual selling and planned sales presentations. His plan involves getting as much as he can of the prospect's background before the interview and then presenting what he calls his

"peace-of-mind" program, pointing out there is twice the need to guard against poverty in old age as there is against dying too soon. He has averaged two applications per week. He has been able to do this, he said, by getting two interviews a day for five days a week.

Further Use of Salary Savings Insurance Urged

E. E. Bohner, group supervisor, Springfield, Mass., agency, urged further use of salary savings insurance, pointing out that employers are increasingly "employee-conscious" and consequently more ready to look with favor on such plans and lend their endorsement. He recommended that each agent set a quota for himself of one salary savings case for each quarter.

The sales congress constituted the opening gun in a three months' drive for new business which will be celebrated with a "victory" luncheon some time in April. All agents who pay for \$30,000 or more of new business and \$960 on four cases in the first three months of the year will be guests at the luncheon.

Good Selling Habits

A few good selling habits which Bruce Parsons of the Mutual Benefit at Chicago likes and practices are:

1. Never to see a man without presenting an idea.
2. Always to expound the idea clearly—simply—quickly.
3. To stick a little longer whenever the prospect seems to be "almost" sold.

Two habits he says he should like to acquire are:

1. The habit of planning and organizing each day's work in advance.
2. The habit of spending "soliciting hours" in the field every day, and not in the office, in late sleeping or doing personal errands.

S. B. Bentley has resigned as general agent for the Kansas City Life in central Illinois. The territory will be supervised out of the home office.

Secures \$500 Premium by Not Knocking Competitor

Evidence that constructive selling pays is given in the following letter to THE NATIONAL UNDERWRITER's calendar department from Elmer M. Isberg, Sun Life of Canada agent at Laramie, Wyo.: "The calendars recently received from you are certainly a lovely piece of craftsmanship."

"On Jan. 1 I called upon a friend and asked to display a calendar in his place of business and he agreed willingly and admired the calendar very much. I noticed that something seemed to be on his mind and I asked him if he was ill. He replied, 'No,' but that the representative of a certain life insurance company had been in to see him lately and had solicited him for insurance. Upon telling this representative that he had all the insurance he could handle with a certain company, the representative immediately tried to convince him that the company he had his policy with was in a bad condition and suggested that he cash it in and take out a policy with his company."

"He told me he didn't know what to do and asked my advice. I immediately told him that his company was as strong as any company. At this he seemed to brighten and replied, 'Elmer, I am glad to hear you say this.' He then informed me that his sister had about \$500 to invest and asked if I had anything to offer her."

"An appointment was arranged and an endowment with nine years premiums paid in advance was placed with premiums of \$507.95. I feel that the calendars helped me secure this business and wanted to inform you of the circumstance."

Pittsburgh Sales Congress

There will be a two-day sales congress in Pittsburgh Feb. 6-7, closing with a banquet given by the Pittsburgh Insurance Club with Holgar Johnson, manager of the Penn Mutual Life, as toastmaster. During the two days all classes of insurance will be touched on from the sales standpoint. E. E. Cole, Jr., is president of the Pittsburgh Insurance Club.

Two Pointers in Closing Sale

NEW YORK, Jan. 12.—Two principles should be borne in mind when directing the thoughts and actions of the prospect toward a successful close, according to Gustav C. Wuerth of the McMillen agency of the Northwestern Mutual Life in New York, who spoke at the company's regional convention here.

"1. When the sale has progressed far enough to indicate that the prospect is interested," said Mr. Wuerth, "assume that he has approved your proposition and start to settle the details. Ask him questions which make it easy for him to follow the assumption that he has decided in your favor. Never ask him for a decision."

"A. It is easier to follow the lines of least resistance. It requires tact to use this method but it is effective."

"B. A man, when hesitating about a decision, is often relieved when someone makes up his mind for him."

"C. Men who have made a negative decision often want to be consistent and pride will not let them say, 'I was wrong in my statement—I do want this policy.' By taking it for granted that his decision is favorable and asking questions about the policy many cases will be saved. Questions: How is your family history? When were you last examined for insurance? What was your blood pressure?"

Divert Prospect's Attention if He Wants to Argue

"2. When your prospect realizes that you have taken his approval for granted he may want to start arguing. Then it is important promptly to divert his mind. Ask him the name of his beneficiary; would he want to reserve the right to change the beneficiary; would he like to use the dividends to buy paid-up additions in order to make the policy mature at an earlier date?"

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The President of a large Company says:
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 Found only in "The Essentials of Life Underwriting" by Abner Thorp, Jr.
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Unselfish Attitude Essential in Managing General Agency

This is the first of a series of interviews with successful agency managers and general agents who will give their ideas on the cardinal elements in developing a successful agency and the pitfalls that must be guarded against. These articles should be of especial value to the newer men in the field.

The first prerequisite of a successful general agent or agency manager is an unselfish attitude toward his producers and a willingness to sacrifice his own interests in their behalf, according to R. E. Spaulding, manager Mutual Life of New York in Chicago and a veteran of over 40 years in field and home office work. The new general agent who has secured his position on his ability as a personal producer, should constantly check himself on this point, said Mr. Spaulding, as the average successful producer is necessarily self-centered and has trained himself to be on the outlook for all opportunities to get new business. When a man becomes a general agent he must give his men the breaks and the leads. This especially applies to new producers who need all the encouragement they can get. If they are given the advantage of a few easy orders at first it will aid them greatly.

Must Keep in Close Touch with His Men

It is necessary for a general agent to keep in close touch with his men, to associate with them as much as possible, according to Mr. Spaulding. He must take them into his confidence and help them solve their troubles and constantly guard against getting the reputation of being "high hat."

A successful agency is built by getting the producers interested in the organization, both in the agency and the company. A good spirit is developed by weekly agency meetings on Monday or Saturday mornings. Monday is the best time, in Mr. Spaulding's opinion, because it enables the agents to start the week on the right foot.

The most successful meetings are those in which the agents themselves take an active part by telling of their experiences and by preparing talks. In addition to the weekly meetings, the

Spaulding agency holds a round table luncheon every month, the expense being borne by the manager. To attend these round table meetings the agent must qualify by securing a certain number of applications or by writing a specified volume of business. Besides being instructive and helpful to those who attend, the desire to qualify for the round table also stimulates production.

The Spaulding field club holds annual meetings. The field club is an organization within the organization and is composed of agents and conducted by the agents. Dues of several dollars a year are paid and in case of sickness or death, etc., of members, flowers are sent by the club. The agents' club idea is a good one because it stimulates good fellowship and makes the members feel they are important cogs in the organization.

The Spaulding agency also conducts a ten weeks' training course twice a year on Tuesday evening of each week. The sessions last an hour and a half. These courses are for both new and old men and the one conducted last fall had an average attendance of 50.

Difficult to Determine Trait of Will to Succeed

In the selection of prospective men, Mr. Spaulding feels the old-timer has really no advantage over the new general agent. There is no successful formula. He said that 95 percent of the reasons for a man's success as a producer is his will to succeed. This is not an exterior characteristic and is a very difficult trait to determine. Mr. Spaulding told of some very successful agents to whom he had been dubious about giving contracts, who had turned out to be very able producers, while others, who seemed to have the outward appearance of success, were disappointing.

When a new man is secured, Mr. Spaulding usually has him spend two days to a week studying and interviewing himself or his assistants, before he goes out and makes contacts. When a new man starts out into the field he is urged to have any questions that might arise answered as soon as possible by qualified persons so that he will be able to quickly grasp the essential elements in sales work.

Production Records Are Made Despite Conditions

For the seventh consecutive year, A. P. Steler of the Johnston & Clark general agency of the Mutual Benefit in Detroit, and treasurer of the Life Underwriters' Association, ranked first in the company in number of lives insured with a record of 167, leading more than 4,000 agents in 43 states. Of the same agency, C. E. Hodgman ranked fourth with 126 lives insured. P. M. West holds the record for sustained production with 969 consecutive weeks' production. G. H. Shephard is second with 941 and Mr. Steler is not far down the list with 854 weeks.

The Cecil K. Dean general agency of the Penn Mutual Life at Wichita, Kan., increased its new business 25 percent in 1932.

At a luncheon of the Union Central Life agency in San Antonio, Tex., B. A. Wiedermann, manager, announced that the production for 1932 was \$4,800,000, an increase of \$1,000,000 over 1931, and the agency staff has set as its goal an increase of more than \$1,000,000 for 1933.

The St. Louis agency of the Massa-

Engelsman, Bragg in Lecture Course

(CONTINUED FROM PAGE 5)

Bragg said. He pointed out that in many cases where the prospect cannot reasonably carry enough insurance to provide sufficient life income for his wife, he can arrange it so that she will be provided an income to carry her through the years when she is learning a new occupation which will later be her means of livelihood.

Vincent B. Coffin, superintendent of agencies Connecticut Mutual, was the sole speaker at Wednesday's meeting and did not speak Thursday as scheduled. This change was made to shorten the session, allowing members ample time to reach the dinner meeting and permit those interested in the C. L. U. study course to reach the special meeting prior to the dinner.

Massachusetts Mutual Life in 1932 delivered \$9,514,000 in life business, a gain of \$327,913 over 1931. The agency, headed by Chester O. Fischer, ranked third among all the agencies of the company. W. H. Van Sickler was the leading personal producer for 1932 with Roger E. Lord in second place.

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Original cost, age thirty, \$21.40 per \$1,000 to age 59; \$17.19 per \$1,000 thereafter

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